

**PROCEEDINGS OF  
THE GRAND LODGE  
OF NEW ZEALAND**



**Special Communication  
November 2023**

**Proceedings of the Special Communication**

**Grand Lodge of Antient, Free and Accepted  
Masons of New Zealand**

**Held on 18<sup>th</sup> November 2023**

**Wellington Freemasons Centre**

**In-person and by Zoom**

**MW Bro Jim Watt  
Grand Master**

**Issued by  
RW Bro Duane Williams PGW  
and Grand Secretary  
on behalf of  
The Grand Lodge of New Zealand**

**BRETHREN ATTENDING GRAND LODGE  
PLEASE BRING THIS AGENDA PAPER WITH THEM  
FOR USE AT THE COMMUNICATION**



Business to be transacted at the  
Special Communication  
to be held in

**WELLINGTON**

**On SATURDAY 18<sup>th</sup> NOVEMBER 2023**

**Grand Lodge will be opened in the Wellington Freemasons Centre at 10 am.**

01. Remits 1-7 Communications
02. Remits 8-14 All of Governance
03. Remits 15-23 Differences and Offences
04. Expulsions – Approval VW Bro Ross Rex P Dist GM and Noting W Bro Kevin Carroll PGS
05. Presentation on Lodge Trustees
06. Presentation on Grand Lodge Insurance Scheme

As this is a Special Communication, only the items listed can be discussed as per Rule 196.d.

All documentation relating to the Special Communication can be found online at  
<https://freemasons.nz/special-communication-2023>

Attendance can be physically or by Zoom.

**Grand Lodge will be closed.**

RW Bro Duane Williams PGW  
Grand Secretary

**NOTE:-** The attention of Brethren is drawn to Rules 195 - 203 of the Book of Constitution, together with Collected Ruling 25 which specify the conduct of the Business Session of Communication.

**NOTICES TO BE MOVED IN GRAND LODGE AT SPECIAL  
COMMUNICATION 2023**

**NOTICES OF MOTION**

**Following each individual Notice of Motion, comments have been included to convey the views on the various motions that have been proposed to assist Lodges in considering how their representative should vote.**

*The Grand Registrar has moved the following, and it has been seconded by the President of the Board of General Purposes;*

**Communications and Triennial General Meetings**

**Remit 1**

**195A. (New) Annual Communication**

- a. An Annual Communication of Grand Lodge shall be held each year between the Grand Installations, in the month of October or November, at a location and on a date determined by the Board of General Purposes, in consultation with the Grand Secretary.
- b. The Grand Secretary shall, at least two months before the date fixed for an Annual Communication, make available to every Lodge and to every Officer of Grand Lodge a Notice summoning the Annual Communication together with a statement of the business to be transacted.

**and Consequential Amendments**

being add 'Annual Communication' after 'Communication' to Rule 14, Rules 197-200, Rule 228, Rule 244.e. Rule 265.a. and Rule 265.c.

## **Remit 2**

### **3. Construction of Rules:**

Amended to read:

- d. Reference to Communication means a Triennial Communication under Rule 195 only and shall not include an Annual Communication nor a Special Communication, which in terms of these Rules must be specified as such.

## **Remit 3**

### **195. Communication**

Amended to read:

- a. A Communication of Grand Lodge in conjunction with the Grand Installation shall be held in the month of October or November, commencing in 2022 in Wellington and thereafter every third year by rotation in the three Divisions – Southern, Northern and Central, and on a date determined by the Board of General Purposes, in consultation with the Grand Secretary.
- b. The Grand Secretary shall, at least two months before the date fixed for a Communication, make available to every Lodge and to every Officer of Grand Lodge a Notice summoning the Communication together with a statement of the business to be transacted.

## **Remit 4**

### **196. Special Communication**

Clause b. amended to read:

- b. The Special Communication shall be held at a location and on the date set by the Officer calling it, in consultation with the Grand Secretary.

## **Remit 5**

### **219. Accounts**

Amended to Read:

The Board of General Purposes shall require proper accounts to be kept and shall make available to Grand Lodge at the Communication or Annual Communication not less than 21 days prior to the holding of the meeting, detailed financial statements and related reports and do all such other things as may be necessary to give Grand Lodge full information respecting the receipt and application of its funds and property.

## **Remit 6**

### **220. Audit**

Amended to read:

- a. The Grand Lodge accounts shall be audited annually and submitted with an auditor's certificate to Communication or Annual Communication, with the copy of the accounts being made available to members of Grand Lodge on the Freemasons New Zealand website.
- b. The Auditor shall be appointed by Grand Lodge at Communication *or* Annual Communication and shall be paid such fee as may be agreed between the Auditor and the Board of General Purposes.
- c. If, for any reason, the Auditor so appointed is unable to complete an audit for the year of appointment, the Board of General Purposes shall appoint a replacement Auditor.

## **Remit 7**

### **225. Annual Report**

Amended to read:

- a. The Board of General Purposes shall make available to Grand Lodge at every Communication or Annual Communication not less than 21 days prior to the holding of the Communication or Annual Communication, a report of the Board's activities covering the financial year just ended and

of any recommendations it may think fit to make. Any such recommendation requiring a change to the rules shall be considered at the next Communication or Annual Communication or Special Communication.

- b. A copy of the report shall be made available to members of Grand Lodge on the Freemasons New Zealand website.

## **Board Explanation**

The new Rule 195A and changes to Rules 195 and 196 are to enable the holding of an Annual Communication and provide flexibility of dates and locations for future Communications and Special Communications of Grand Lodge.

Changes to Rules 3.d., 14, 197 to 200, 219, 220, 225, 228, 244e, 265.a. and 265.c. are consequential of holding an Annual Communication and are also to align the rules with each other as well as current practise.

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***The Deputy Grand Master has moved the following, and it has been seconded by the President of the Board of General Purposes;***

## **Remit 8**

### **Board of General Purposes**

**That Rule 221 of the Book of Constitution be amended as follows:**

Heading Delete "*Board of General Purposes*", to be replaced by "***Board of Directors***"

221.a The current Rule 221.a. ("*There shall be a Board of General Purposes*") to be deleted, to be replaced by "**There shall be a Board of Directors**"

221.b. The current Rule 221.b. (outlining the membership composition of the Board of General Purposes) to be deleted, to be replaced by –

**The Board shall consist of the Trustees of Grand Lodge appointed pursuant to Rule 166.a**

## **Remit 9**

### **Appointment of Trustees**

**That Rule 166.a. of the Book of Constitution be amended by deleting the current Rule and replacing it with the following:**

#### **166. Appointment of Trustees**

- a. Grand Lodge shall, from time to time, appoint up to seven persons [including the Deputy Grand Master ex officio] who shall be domicile in New Zealand, to be Trustees in terms of The Grand Lodge of Freemasons of New Zealand Trustees Act 1903.**

#### **Board Explanation:**

The All of Governance Review report proposes the establishment of a Board of Directors [to replace the Board of General Purposes], which will be responsible for the governance of Freemasons New Zealand; the membership of the Board of Directors is to be common with the Trustees of Grand Lodge, thereby reducing the total number of persons involved from up to 14 to up to seven. This acknowledges the reducing pool of members from which to draw not only Grand Lodge Officers but also the Directors and Trustees – it also means that there will be complete alignment between the separate roles of the Directors and the Trustees of Grand Lodge.

The roles of the Directors and the Trustees are separate, with the Directors being responsible for the governance and constitutional requirements of the Craft whilst the Trustees being responsible for the statutory obligations of the Craft, including its assets.

The All of Governance Review report suggested that the Grand Master be a Director/Trustee ex officio, but the Board of General Purposes believes that the Grand Master should be independent of the Directors/Trustees so that if necessary, the Grand Master can address membership thereof if the Directors/Trustees exceed their respective allocated roles or make inappropriate decisions potentially or adversely affecting the Craft and some form of disciplinary action, including removal/suspension from office, becomes necessary.

The Board of General Purposes and the Trustees of Grand Lodge fully support the proposed single structure and endorse the above remits giving effect to the new governance structure.



## Remit 10

### Terms and Tenure of Office

That Rule 167 of the Book of Constitution be amended as follows:

167.b. The period of *“nine consecutive years”* be replaced by ***“six consecutive years”***

167.c. The current Rule 223.d. to be amended by adding **“, but with the Trustees electing their own Chair who will be neither the Deputy Grand Master nor the Chair of the Board of Directors.”**

167.e. The current Rule 167.e. be amended by deleting the second sentence [*“Any Trustees appointed pursuant to this provision shall not be considered (sic) a Retiring Trustee”*] and replacing it with the following:

**Any Trustee appointed pursuant to this provision shall retain the entitlement under Rule 167.b. above of the Trustee whose office has been declared vacant pursuant to Rule 167.d. above.**

167.f. (new) **Notwithstanding Rule 167.b. above and for the balance of the period of the triennial term to terminate at the 2025 Communication, the three Retiring Trustees will be eligible to be appointed for a further six years as Trustees, subject to the appointment process applying to Trustees**

167.g. (new) **Notwithstanding Rule 167.b. above, the three Trustees who are not retiring at the 2025 Communication will be required to retire at the 2028 Communication but will not be eligible for immediate reappointment for a further three years as Trustees**

167.h. (new) **Notwithstanding Rule 167.b. above and subject to a recommendation from the Board of Directors, a Retiring Trustee not eligible for immediate reappointment may be appointed for a further period of one year if the circumstances so warrant**

## Remit 11

### Constitution of Board

That Rule 221 of the Book of Constitution be further amended as follows:

221.d. The current Rule 221.d. to be amended by deleting “*President of the Board of General Purposes*”, to be replaced by “***Chair of the Board of Directors***”

## Remit 12

### General Procedure

That Rule 223 of the Book of Constitution be amended as follows:

223.d. The current Rule 223.d. to be amended by adding “, ***with the Directors electing their own Chair who will be neither the Deputy Grand Master nor the Chair of the Trustees.***”

### Board Explanation:

The above remits are machinery actions required following on from the adoption of Remits 8 and 9 already dealt with and give effect to the proposal contained in the All of Governance Review report.

The Board of General Purposes and the Trustees of Grand Lodge fully support the proposed single structure and endorse the above remits giving effect to the new governance structure.

## Remit 13

That subject to the preceding remits 8-12 being adopted, the following Consequential amendments be approved:

- 5.e. (new) Except in Rule 224.g, “***Board of Directors***” shall replace any reference to the “*Board of General Purposes*”, and any reference to “*the Board*” shall be deemed to be read as “***the Board of Directors***”
- 5.f. (new) In Rules 21.a, 221.d, 223.b, 224.a, 224.b, 224.c, and 225, “***the Chair of the Board of Directors***” shall replace any reference to “*the President of the Board of General Purposes*” or “*the President*”

- Several In Rules 122, 123.a.vii, 125.a, 129.a, and 130.a, references to  
150, 151 “*The President of the Board of General Purposes*” be deleted  
192.a, & b Rules 150 and 151 be repealed  
Replace the word “*the*” immediately preceding “*President of the Board of General Purposes*” with the word “***Past***”

### **Board Explanation:**

The All of Governance Review report proposed the establishment of a Board of Directors to replace the current Board of General Purposes; the membership of the Board of Directors is to be the Trustees of Grand Lodge, as addressed in Remits 8 and 9..

The adoption of those two remits (8 and 9) necessitates some consequential amendments to the Book of Constitution by changing titles as appropriate, repealing the provisions relating to Divisional appointees to the Board, and updating Grand Lodge ranks.

**The Board of General Purposes and the Trustees of Grand Lodge fully support the proposed single structure and endorse the above remits giving effect to the new governance structure.**

### **Remit 14**

#### **Transitional arrangements**

**That subject to the preceding remits being adopted, the following transitional arrangement is to take effect immediately –**

**224.g (new) The members of the Board of General Purposes and the Trustees of Grand Lodge, excluding the Grand Master, as at 17 November 2023 will assume the role of the Board of Directors until the Annual/Special Communication in November 2024 when Grand Lodge will appoint the new Trustees of Grand Lodge pursuant to Rule 166.a.**

### **Board Explanation:**

The All of Governance Review report promoted a new governance structure for Freemason New Zealand; Remits 8-13 addressed the set-up of the new structure as well as addressing consequential amendments necessitated by the changed governance structure.

The Review report proposed a start date of 1 April 2023 for the new structure and recommended a transitional governance appointment process. Following a joint meeting with the Trustees of Grand Lodge, the Board of General Purposes has proposed an alternative transitional arrangement which is contained in the above remit.

In essence, for the period through to the 2024 Annual/Special Communication, the current Board of General Purposes and the Trustees of Grand Lodge will assume the role of the Board of Directors, and in so doing, the transitional Board of Directors will be responsible for inter alia the recommendation of the new Trustees [and Directors] for consideration and approval at the November 2024 Communication, thereby satisfying the appointment process outlined in Rule 166.b.

Details of the process for inviting and evaluating applications for the role of Trustee/Director were outlined in the All of Governance Review report – the decision for the appointment of the Trustees/Directors, even for the initial one-year period of November 2024 to say November 2025, will remain with Grand Lodge in its Communication in November 2024.

The Board of General Purposes and the Trustees of Grand Lodge fully support the proposed single structure and endorse the above remit giving effect to the new governance structure by way of a transitional governance arrangement until November 2024.

**NB:** The reference to “*Annual/Special Communication*” will be adjusted at the Special Communication once the outcome of the earlier remit concerning Annual Communications has been determined by Grand Lodge.

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***Grand Registrar has moved the following, and it has been seconded by the President of the Board of General Purposes;***

## **Remit 15**

### **Definition of Terms**

#### **Amend Rule 2 to include**

r. (new) Masonic Entity includes but is not limited to:

- a. Any Trust where the Trustees of that Trust are-appointed to the Trust due to being:
  - i. Trustees of a Lodge or Lodges, or
  - ii appointed by a Lodge or Lodges to be Trustees of that Trust
  
- b. Any Limited Liability Company or Limited Partnership where the shareholders or partners of that Limited Liability Company or Limited Partnership are appointed due to being:
  - i Trustees of a Masonic Entity, or
  - ii appointed by a Lodge or Lodges to be shareholders or partners of that Limited Liability Company or Limited Partnership.

### **Board Explanation**

The Board supports this remit. Legal opinions confirm that Masonic entities are covered by the Grand Lodge of Freemasons of New Zealand Trustees Act 1903. This new rule provides a definition of a Masonic Entity in the Book of Constitution.

## **Remit 16**

### **Differences and Offences**

#### **Amend Rule 238 Clauses b., c., and d.**

- b. If a difference arises which the Divisional Grand Master cannot resolve to the satisfaction of all parties, then any party to the difference may appeal to the Grand Master by notice to the Grand Secretary.
- c. The Grand Master shall consider the appeal and may:
  - i. Refer the difference back to the Lodge or to the appropriate Divisional Grand Master for settlement, or
  - ii. Refer the difference to his nominee or Committee or Commission for investigation and decision and report back to the Grand Master.
- d. The decision of the nominee or Committee or Commission shall be binding on all parties and shall include but not be limited to interim suspension, censure and admonition of a party or parties.

#### **Board Explanation**

The Board supports this remit. It places the Grand Master's nominee, committee or commission into the existing role held by the Board of General Purposes for Differences and Disciplinary matters. This allows for the separation of powers. That is, the Board has a Governance role, while the Grand Master appointment takes over the judicial role.

## **Remit 17**

#### **Amend Rule 239.c.**

A Lodge or Masonic Entity commits a Masonic offence whenever it is in breach of these Rules, its by-laws, its charter, the rules of the Masonic Entity, the rulings or directives of the Grand Master or the Board of General Purposes or otherwise acts in a manner as may be likely to bring the Craft into disrepute.

## **Board Explanation**

The Board supports this remit. It adds a Masonic Entity to the offence provisions.

## **Remit 18**

### **Amend Rule 240.a.**

A “disciplinary tribunal” shall mean a Divisional Grand Master when hearing a complaint under this Part, or the Grand Master’s Nominee, or Committee, when sitting as a disciplinary tribunal to consider a complaint under this Part, or a Trial Commission, or an Appeal Commission, or Grand Lodge in Communication, Annual Communication, or Special Communication.

## **Board Explanation**

The Board supports this remit. It places the Grand Master’s Nominee, Committee or Commission into the existing role held by the Board of General Purposes for Differences and Disciplinary matters. This allows for the separation of powers. That is, the Board has a Governance role, while the Grand Master takes over the Judicial role.

## **Remit 19**

### **Amend Rule 241**

- a. A complaint alleging a Masonic Offence against any Lodge, Masonic Entity or Brother shall be made by a Lodge, Masonic Entity or by a Brother to the Divisional Grand Master
- b. A complaint shall be made on the prescribed form and shall be delivered to the Divisional Grand Master who shall:
  - i. Forward it to the Grand Secretary for reference to the Board of General Purposes and the Grand Master, and
  - ii. Forward a copy of it to the Lodge, Masonic Entity or Brother against whom the complaint is made.
- c. The Grand Master shall consider any complaint and either:
  - i. Refer the complaint to his Nominee, Committee or Commission or
  - ii. Refer the complaint back to the Divisional Grand Master for settlement, or
  - iii. Refer the complaint to a Trial Commission for adjudication.
- d. The Grand Master may instruct his nominee, Committee or a Trial Commission to act as a disciplinary tribunal to determine if a Masonic offence has been committed by a Lodge, Masonic Entity or Brother though no Brother, Lodge, nor Masonic Entity has made a complaint alleging a Masonic offence. Such disciplinary tribunal will follow Rule 247 procedure but perform an inquisitorial role, that is, summoning and questioning the persons who appear before it.

### **Board Explanation**

The Board supports this remit. It places the Grand Master nominee into the existing role held by the Board of General Purposes for Differences and Disciplinary matters. This allows for the separation of powers. That is, the



Board has a Governance role, while the Grand Master takes over the Judicial role.

A complaint is still advised to the Board of General Purposes such that they may be aware of the complaint.

It also gives the Grand Master a procedure to enquire into matters of concern that is fair, open and following judicial process though no persons or Lodge has come forward to make a complaint.

## **Remit 20**

### **Amend Rule 242.b.**

- b. The Trial Commission shall adjudicate the complaint and report the result of its determination to the Grand Master and Board of General Purposes.

### **Board Explanation**

The Board supports this remit. It places the Grand Master into the existing role held by the Board of General Purposes for Differences and Disciplinary matters. This allows for the separation of powers. That is, the Board has a Governance role, while the Grand Master has a judicial role.

The result of the determination of a complaint is still advised to the Board of General Purposes to ensure compliance of the parties with the determination.

## **Remit 21**

### **Amend Rule 244**

- a. If at any time a Brother has been convicted of an offence against the laws of the land and sentenced to a term of imprisonment or a sentence of home detention, he shall be expelled from the craft by resolution of the Board of General Purpose forthwith and any Grand Lodge rank or recognition removed, on the Board being satisfied of such conviction and sentence
  
- b. If at any time a Brother has been convicted of an offence against the laws of the land punishable by imprisonment but is sentenced to a penalty less than imprisonment, any one or more of the following may be imposed on him:
  - i. Recommend to Grand Lodge expulsion of a Brother
  - ii. Removal of active rank
  - iii. Removal of past active rank if the offence was committed whilst the Brother held that active rank
  - iv. Removal of Honoris Causa rank
  - v. Suspension
  - vi. Censure
  - vii. Fine
  - viii. Admonition
  - ix. Written warning that any further Masonic offence could result in a penalty listed in i. to viii. above
  
- c. If a Brother has been found guilty of any other Masonic offence, any one or more of the penalties mentioned above in sub-clause (b) of this rule may be imposed.
  
- d. If a Lodge has been found guilty of a Masonic offence, any one or more of the following penalties may be imposed:

- i. Recommend to Grand Lodge erasure from the Roll of Grand Lodge
  - ii. Suspension
  - iii. Censure
  - iv. Fine
  - v. Admonition
  - vi. Written warning that any further Masonic offence could result in a penalty listed in i. to v. above
- e. If a Masonic Entity has been found guilty of a Masonic offence, any one or more of the following penalties may be imposed against a Trustee or Director or Partner of that entity:
- i. Recommend to Grand Lodge expulsion of a Brother
  - ii. Removal of active rank
  - iii. Removal of past active rank if the offence committed whilst the Brother held that active rank
  - iv. Removal of Honoris Causa rank
  - v. Suspension
  - vi. Censure
  - vii. Fine
  - viii. Admonition
  - ix. Written warning that any further Masonic offence could result in a penalty listed in i. to viii. above
- f. The expulsion referred to in paragraph (a) of this Rule and the recommendation of expulsion referred to in paragraphs (b), (c), and (e) and the recommendation of erasure referred to in paragraph (d) in this rule shall be communicated to Grand Lodge at its next Communication or Annual Communication or Special Communication and published in the Book of Proceedings of that Communication.
- g. Grand Lodge alone has the power of expulsion referred to in paragraphs (b), (c) and (e) and the power of erasure referred to in paragraph (d), powers it cannot delegate to any subordinate authority.

- h. A penalty of removal of rank, fine or suspension shall take immediate effect, and if an appeal is lodged against it, shall nevertheless continue to have effect pending the decision of the appeal. If the appeal is allowed, whether wholly or in part, the penalty shall be modified accordingly.

### **Board Explanation**

The Board supports this remit. It adds reference to Masonic Entity and extends the penalty options that a disciplinary tribunal can impose including removal of rank. It is also providing for an option of a written warning. It confirms that the disciplinary tribunal can only recommend the expulsion of a member or erasure of a Lodge to Grand Lodge.

## **Remit 22**

### **Amend Rule 246 to include new sub-clause**

- g. If a Brother suspended holds office in a Lodge, he will be suspended from holding that office, including as a Trustee of a Lodge. If the Brother holds a position in a Masonic Entity and was appointed or elected to that position, the Brother is also suspended from that position to which he was appointed or elected.

### **Board Explanation**

The Board supports this remit. It clarifies that a suspended Brother is also suspended from his position in a Lodge and any Masonic Entity (as defined) he was appointed to.

## **Remit 23**

### **Amend rule 247 b.iii and c.**

247 b. iii To summon any Brother, Lodge or Masonic Entity to appear before it at such time and place as it shall determine, and to bring with them any documents relating to the proceedings that it may request to produce the Certificates held by any Brother and to retain in its custody such documents for such a period as it deems appropriate or until its request to hand them to a higher disciplinary tribunal. If such summons are not complied with, and a sufficient reason is not given for non-compliance, the disciplinary tribunal may make an order for interim suspension of the Lodge or Brother concerned pending a decision of the Board of General Purposes.

247.c In any disciplinary proceedings, the Grand Registrar may advise any disciplinary tribunal but shall not present the case against the Lodge, Masonic Entity or Brother complained of, nor sit as a member of any disciplinary tribunal hearing the complaint.

### **Board Explanation**

The Board supports the remit. It includes Masonic Entities in Rule 247 b. iii to bring it in line with the amendment to Rule 2, which includes Masonic Entities. It also extends the obligation for parties involved in the proceeding to bring all documents that relate to the proceedings. The inclusion of Masonic Entity in 247.c. is a consequential amendment arising out of the previous amendment.

**Special Communication was held on 18<sup>th</sup> November 2023 at the Wellington Freemasons Centre.**

Voting Lodges and Members were either those physically present or virtually by Zoom.

Only Lodge Representatives holding an authorised Commissions could vote either physically or by Zoom.

The Grand Master and Officers of the Grand Lodge entered, and the Grand Master formally opened the Grand Lodge.

Grand Master received honours.

**Grand Master – MW Bro Jim Watt**

Brethren, thank you for your salutations, which are heartily reciprocated. It's great to see so many turn out here today, and to our brethren who are virtually with us, thank you for attending as well.

**Grand Director of Ceremonies – VW Bro Craig Nunnerley**

Provided Health and Safety housekeeping for the venue,

**Grand Master – MW Bro Jim Watt**

Thank you very much, Grand Director of Ceremonies.

**Grand Master – MW Bro Jim Watt**

Very Worshipful Grand Director of Ceremonies, would you please admit our Executive Director – Mark Cassidy and Legal Advisor from Parry Field, Stephen Moe (who are both non-Freemasons).

We warmly welcome both of you to this Special Communication.

**Grand Master – MW Bro Jim Watt**

This communication is unique in that it offers both in-person and virtual attendance.

The aim being to ensure that we have representation of all lodges and providing them a voice in the management of our craft.

Sadly, only 112 of 178 of our lodges actually took the opportunity to register a representative. As this is a special grand communication, only those items listed on the agenda may be discussed. And I asked all brethren to consider this when addressing Grand Lodge.

Brethren, during the Grand Installation last year, I introduced a specific work stream that I wanted to concentrate on. My objective was to ensure that Freemasonry in New Zealand is well prepared and positioned for the next decade, and today we are casting votes on the initial component of that plan.

This will serve as the cornerstone for the necessary changes we intend to introduce in the future.

There are three separate and distinct sets of Remits to be considered.

The first covers the changes required to the Book of Constitution, which will enable us to hold an Annual Communication and give us flexibility on the dates of a Triennial Grand installation.

The second set of Remits are the result of the findings and recommendations of the All of Governance Review Working Group and allow us to establish a governance structure, which is fit for purpose and capable of seeing Freemasonry into the future. Under this new structure, the Board becomes a pure governance board, whose focus is on the future sustainability of the Craft and of Freemasons New Zealand.

The last set of Remits addresses concerns that have been raised by you the Brethren, around misbehaving Freemasons, and dare I say it the cringe factor, and provides us with the tools to deal with these. The changes also ensure that the process of natural justice is applied and that the Masonic Differences and Masonic Offences are dealt with in a timely manner. The updated process transfers disciplinary matters from the Board to the jurisdiction of the Grand Master and the operational team. Your support of these Remits will see the establishment of a Panel who will undergo training in dispute resolution and mediation, who will be responsible to investigating issues and providing recommendations to the Grand Master on the necessary action required to resolve those disputes. And just to point to note here Brethren, the Grand Master takes no part of the actual dispute hearing or mediation, he only acts on the advice of the Panel, a role that was previously performed by the Board. We actually went into discussion with Brethren that had been through the process and one of the concerns was in fact the time it took. What this will ensure is prompt resolution of disputes rather than having to wait for a Board meeting three months further down the track before it could be addressed.

Brethren, as I have a number of Remits to cover, I will allow up to five Brethren to speak in favour of a Remit and up to five Brethren to speak against a Remit. If your point or points have already been covered by a previous speaker, then I ask you to refrain from speaking.

And as Remit voting is both virtual and live, there will be a slight delay between Remits whilst votes are being correlated. However, there's an obvious majority I will move forward to the next remit. We have with us today our independent legal adviser partner for Parry Field solicitors, who will introduce further down the track when we get to the Remits on all the governance.

Brethren, now, before proceeding further. I will ask the Grand Secretary to advise on the housekeeping matters relating to speaking and voting.

### **Grand Secretary – RW Bro Duane Williams**

Brethren, we are being recorded today so that I can complete a Book of Proceedings. And just for your further information, we are obviously physically here in Wellington, but there was a Zoom hub in Auckland. There are other members of lodge representatives and others that are coming in by Zoom, and those with multiple votes because Zoom could only handle one vote per person are being called up on WhatsApp and presenting their votes to the scrutineers.

Any brother who wishes to speak must move to the static microphone to enable the brother to address the special communication will stand and wait until there's an opportunity to do that. If coming in by Zoom, use the raised hand icon option, and you'll be called upon by the Grandmaster to speak. When asked to speak, kindly commence by first stating your name. And then the name and number of your lodge. For example, Duane Williams Lodge Zetland Number 312. Voting itself is undertaken in accordance with the provisions of Rule 200, where each craft Lodge is entitled to one vote; the lodge vote will be exercised by the Commissioned Representative or Proxy. No one else is able to vote. If you are voting, the Grand Master will generally call for a show of hands. The card in your hand is your voting power, and he's probably going to use the pink one, so you hold that one up wherever you are. If it did come to a ballot, we would then start to use these cards to go into the ballot box beginning with A. In relation to Zoom, lodge representatives are in their own Zoom room, and others are attending in the Member's Zoom room. And those lodge representatives received a unique code and password to get in so that they can vote, and the voting will appear on your screen, and you vote for or against. The speaker in relation to speaking the speaker shall not be interrupted except on a point of order. A member may only speak once to a motion, the mover of the original motion has the right of reply. The mover of the motion may speak initially for five minutes. No other speaker to any motion shall exceed three minutes. The Grand Master may grant an extension of two or three minutes. But given we've got 23 remits that might not happen, and any further extension would be allowed only by a vote of the brethren assembled. When one minute of your allotted time remains you'll hear a bell ring once. When you've spoken your allotted time, you will hear it twice and you're requested to conclude your sentence remain standing and the Grand Master will tell you either to sit down or carry on. We have some scrutineers today they have been appointed under Rule 202. Most Worshipful Brother Pope is the Chief scrutineer, and he's assisted by Right Worshipful Brother Nelson, Right Worshipful Brother Milton, Very Worshipful Brother's Bell, Douglas and Robinson. Thank you, Grand Master.

### **Grand Master – MW Bro Jim Watt**

Brethren, as is customary at a meeting of Grand Lodge, I will ask you all please to stand for departed Merit for those brethren who have passed to the Grand Lodge above since our last meeting of Grand Lodge. Upstanding brethren. Thank you, Brethren, and please be seated.

Brethren, apologies have been received from a number of brethren and these will be in the transcript of today's meeting. If there are any other apologies, I ask at the end of the meeting if you could please give those to the Grand Secretary. RW Bro Steve Salmon P Dep GM and RW Bro Barry Millage PGW tendered their apologies prior to the meeting with the Grand Secretary.



Brethren, I will now introduce the executive officers and others present today, And I'll ask these Brethren to stand when I name them our Deputy Grand Master, Right Worshipful Brother Pat Cooney, Chair of the Grand Lodge Trustees Right Worshipful Brother Neville Patrick, Past Deputy Grand Master President of the Board General Purposes, Right Worshipful Brother Paul Chappel, Grand Secretary Right Worshipful Brother Duane Williams Past Grand Warden, Grand Registrar Very Worshipful Brother Noel King, Grand Treasurer Very Worshipful Brother Mike Cadman. Our out-going Executive Director, Mr Mark Cassidy, and our new Executive Director, Brother Andrew Cowie and solicitor, Mr Stephen Moe. Brethren, an agenda has been circulated. I trust you have all got a copy or seen a copy, and we will progress to move through that in accordance with the numbering. We will take a short break after Remit 14 for those brethren at home on virtual, so you know to go and put the kettle on and have a cup of coffee. So, Brethren, moving to the first Remit, and I will ask the Grand Registrar to speak.

**Grand Registrar – VW Bro Noel King**

Thank you, Most Worshipful Grand Master I, Grand Registrar, move the passing of the Remits One to Seven.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Grand Master, I, President of the Board of General Purposes, second that motion.

**Grand Master – MW Bro Jim Watt**

Brethren, we have a motion on the floor for Remits one to seven.

We will proceed with Remit one, Grand Registrar. Do you wish to speak to the Remit?

**Grand Registrar – VW Bro Noel King**

Briefly, Most Worshipful Grand Master, this remit Number one establishes that an Annual Communication of Grand Lodge shall be held each year. Currently, there is not an option available that allows this to actually take place.

**Grand Master – MW Bro Jim Watt**

Thank you, Grand Registrar; any other brother wishes to speak to the remits? Does any brother wish to speak against the remit? Then I'll put the remit, and as the Grand Secretary suggested, we will start with our pink voting card. All those in favour will signify in the usual manner. All those against - Can you just hold them up high, please, so we can count them? Thank you, Brethren. Those against the motion. We'll just wait for two seconds while we work through the process new process of having virtual and live together.

**Grand Secretary – RW Bro Duane Williams**

Those voting on Zoom, you've only got two minutes to vote mark Yes or No.

**Grand Master – MW Bro Jim Watt**

Brethren, as I stated, there's clearly an obvious majority for this. But this first one we're just checking that the whole system is working properly. And we'll move through the next six reasonably quickly. We can move through more quickly than that... Brethren, just advise that there's a short hold-up with

technology just getting the system right. Brethren who are on Zoom. Can you please indicate by raising your hand that you voted at the time that the vote came up on your screen, please? So that's Brethren that are on Zoom. We have 38 on Zoom, (who can vote), who can vote. If you could just raise your hand to confirm that you voted at the time the option came up, please.

We have progress, brethren. (Okay) Houston, we have lift-off. We always knew the first go at electronic voting may be a bit of a trial, but we'll move forward a bit quicker from then. Results to Remit One: The vote is 87 For and 3 Against; therefore, the remit has been carried.

We now move to Remit Two. Grand Registrar, do you wish to speak?

**Grand Registrar – VW Bro Noel King**

Okay, as I say, Remit Two is just a bit of housekeeping. With Remit One, we introduced the term Annual Communication. What Remit Two does is avoid any confusion regarding Communication in the Book of Constitution. It refers to the Triennial Communication that you have with Communication and Annual Communication when the word Communication is used. It refers to the triennial Communication as just an amendment to fix that up in the Book of Constitution.

**Grand Master - Jim Watt**

Thank you, Grand Registrar. Does any brother wish to speak to the motion? Does any brother wish to speak against the motion? Therefore, I will put the Second Remit as soon as or I will say for the motion all those in favour will signify in the usual manner

**Grand Secretary – RW Bro Duane Williams**

Brethren, don't unhelpfully fold or divide the pink voting card. Have it fully out so we can see that. It doesn't make any difference if you're putting your hand up one way or the other. But don't fold the card out because it's starting to confuse the people who are counting the votes into thinking that you've got two votes.

**Grand Master – MW Bro Jim Watt**

for the scrutineer says you now have a count and once you've finished this one you'll have a count of if nobody votes against it you'll know exactly how many and Brethren, is there any Brethren against the motion? Your count now should be... Yeah But we'll know if we have any of those against just confirming that the Zoom voting is working correctly now. Okay Brethren, as there is an obvious majority on that Remit, we will now move to Remit Three. We will report back on the actual number of votes going forward. Remit Three, Grand Registrar, Do you wish to speak to that remit?

**Grand Registrar – VW Bro Noel King**

Essentially, this is just a continuation of what was before the Communication, which is, of course, the Triennial Communication of Grand Lodge in conjunction with a Grand Installation shall be held in the months of October or November, and every year commencing 2025, but it allows that that can go from Southern, Northern, Central.

**Grand Master – MW Bro Jim Watt**

Thank you, Grand Registrar. Does any brother wish to speak for the motion? Does any brother wish to speak against the motion? Therefore, I will put the motion using the pink card again. All those in favour will signify in the usual manner. If I just quickly call, if any are against, your number should stay the same. Thank you, Brethren. Are any Brethren voting against the motion? Brethren in the formal for Remit Two were 90 For 0 Against.

Remit Three voting is underway. While we wait for the final results on that, will we move to Remit Four, Grand Registrar?

**Grand Registrar – VW Bro Noel King**

Currently, clause 196 requires that a Special Communication under clause b, shall be held in Wellington. This amendment allows that changes that and this Special Communication shall be held at a location and other dates set by the officer calling it in consultation with the Grand Secretary, so it doesn't lock in Special Communications having to be held in Wellington.

**Grand Master – MW Bro Jim Watt**

Does any brother wish to speak for the remit? Does any brother wish to speak against the remit? Therefore, I will put the remit; all those in favour signify. Brethren, while we're just counting the votes, the voting for Remit Three was 87 For 3 Against. The remit has passed.

**Grand Secretary – RW Bro Duane Williams**

Brethren, your card, it doesn't matter what it says, it is for one vote only unless you're holding more than two or pink cards because you hold proxies for more than one lodge.

**Grand Master – MW Bro Jim Watt**

Brethren, we will move to remit five. While the votes are correlated, there is obviously a majority.

Grand Registrar Remit Five?

**Grand Registrar – VW Bro Noel King**

Again, this is an amendment because of the introduction of the Annual Communication within the Book of Constitution. Remit Five refers to Rule 219 Accounts, which is the accounts and aligns with that currently Grand Lodge is to provide a set of accounts 21 days prior to Communication. This adds that Grand Lodge provide a set of accounts prior to the Communication and Annual Communication 21 days prior to the holding of those communications. So ,it adds the annual communication and to get accounts 21 days prior to this.

**Grand Master – MW Bro Jim Watt**

Thank you Grand Registrar. Does any brother wish to speak in favour of the motion? Does any brother wish to speak against the motion? In response to Remit Four, the vote was 90 in favour and 1 against the remit has carried. Back to Remit Five as we have had nobody speak against it, I will therefore put the motion, all those in favour will signify in the usual manner. Thank you Brethren, those against? Brethren, as there is an obvious majority, we will move to Remit Six. Grand Registrar.

**Grand Registrar – VW Bro Noel King**

Remit Six is basically as in Remit Five, tightens the proposed provision of the accounts for annual communications. Remit Six and amend the current audit such that not only are the accounts audited prior to the Communication, they are audited prior to the Annual Communication as well. So, the accounts that you're receiving prior to the Annual Communication will also be audited accounts.

**Grand Master – MW Bro Jim Watt**

Thank you, Grand Registrar. Brethren, does any brother wish to speak in favour of the motion? Does any brother wish to speak against the motion? I will, therefore, put the motion all those in favour signify in the usual manner. Brethren Remit Five voting is 91 in favour, 0 against the Remit has carried. Does any brother want to vote against the remit? Thank you brethren. Again, as there is an obvious majority, I will move to remit seven. Can we have the new slide please, Remit Seven, Okay Grand Registrar?

**Grand Registrar – VW Bro Noel King**

Again, this ties in with the inclusion of an Annual Communication. So, under Remit Seven currently an Annual Report is provided by the Board of General Purposes prior to the Communication and no later than the 30th of November in the intervening years. This is locks in that the Board of General Purposes will keep to the same timetable as the accounts and provide like a bit of a Grand Lodge every Communication not less than 21 days prior to the holding of the Communication or Annual Communication report of the board. So you'll get that 21 days prior to the Annual Communications as well as the Communication. So, it locks in with the Accounts and Annual Reports to the Board.

**Grand Master – MW Bro Jim Watt**

Thank you, Grand Registrar. Does any brother wish to speak in favour of the remit? Brethren just explaining the delays just we are checking to see if anybody virtually wants to speak? Does any brother wish to speak against the remit? Therefore, I will put the remit all those in favour will signify in the usual manner. While that vote was being conducted, the outcome of Remit Six was 89 for and 2 against; therefore, the motion for the remit was carried. Sorry for my fault, does any brother want to vote against the remit? Brethren as there is an obvious majority.

We will move to Remit Eight, which are the All of Governance Remits. We have with us today, Stephen Moe a partner from Parry Field Lawyers based in Christchurch. During the consultation process with the webinars etc. There were four questions which were raised on a regular basis which needed to be addressed. So, Mr Steven Moe was brought on board as a legal adviser for the All of Governance Working Group due to his being recognised as a lawyer, a leading lawyer, supporting charities and purpose-focused businesses. After graduating with first-class honours and more from Canterbury University, he was admitted as a lawyer in Wellington in 2001 and was also qualified in England, Wales as well as in Australia. He is a facilitator for today's Institute of Directors on legal risk for governance and hosts the podcast on governance and board matters. He is also a member of the charity service sector group, which provides input to the charities regulator and as a member of the XRB advisory panel, inputting on financial standards for New Zealand. So as you can understand why we brought on board he is is amply qualified to advise us through the all of governance. I'll ask Stephen just to speak

on the four questions that were raised. Stephen, please. If the Director of Ceremonies could just turn the microphone around. So, he's facing the Brethren. Carry on.

### **Legal Advisor to the Board - Stephen Moe**

Well, thank you for the opportunity to be here. First of all, I just want to acknowledge the great work that's done by Freemasons. It's an honour to be here and be able to speak to these four questions. I have to start with my own remit, which is I was asked to look at these four questions specifically, rather than drafting the Remits that we're about to look at or going through the Book of Constitution in detail. But I've considered these four questions. I wanted to start by mentioning that every organisation is unique. Every organisation has a history. Every organisation is different to other organisations. So I think it's important to acknowledge that before we go into these questions, the point being that every organisation may have different ways of doing things. So the first question that I've been asked to look at is, will there be any conflict between the two roles if they're fulfilled by the same persons? And I think the answer is there is that there will not be conflict, as long as there's clarity around the mandates for each of the boards. I think there may be some follow on consequential work that's needed, perhaps with future Remits being prepared, so that there is clarity around the two boards. But because the two individuals will be the same, there should be alignment between the trustees and the directors, there is an acting for your brethren and for Freemasons New Zealand. Question number two, what will be the Regulatory or Constitutional issues, if any, under the 1903 Act, and or the Book of Constitution, if the role of directors and trustees are carried out by the same persons. And having considered this, I don't think that there will be any, I think that there should be some further work done to go through a detailed review of the broader Constitution to check if there's any additional minor amendments that are needed. As a different point, we do suggest clarifying the purpose of the trust. And we've provided some other considerations in a separate document, the purpose of the trust, you actually go back to the 1903 Act. And it says, upon such trusts and for such purposes, and subjected to such conditions, as shall from time to time be defined by such Constitution and Laws of Grand Lodge. So there's not really a clear scoping within that of what are the purposes, and that's actually something that was identified in some court proceedings about 10 years ago as well. So, it's something that you could look at. Number three is the proposed governance structure recognised as current standard practice. So I come back to the opening comment that every organisation is different from another organisation. And I think the answer to this question is, you don't have a standard structure to start with. So it's quite difficult to say that what's done in other contexts should be copy pasted over to you, because you have your own unique history, you have your culture, you have the approach of the past. But just to draw two images, I think this is analogous to the situation of a family trust, which then owns a company. And in that sort of a context, the family trust, the trustees and the directors of the company, quite often there'll be the same. Another analogous picture would be in a religious context, where there's a church, and the church quite often will appoint elders, and the elders will be the spiritual oversight for the church. And there will also be trustees, who very often are looking after the property. And many churches choose for those people to be the same, in order to ensure that there's a synchronicity of thought that they're the same people in both roles. So, it seems to us that this proposal will work both now and for, say, the next 10 years, but like anything we suggested, it probably will need to evolve over time. One point that we want to raise is that if you have two boards, with the same people, ultimately considering similar things, or the same things, it might be that at the right moment, having one board would be worth considering, since it's

the same people. The fourth question was, will there be any issues with our charitable status insofar as charity services is concerned with the trustees and the board members being the same persons? And our answer to that is, we don't think that there would be an issue. Again, it comes back to the specifics for an organisation, what's appropriate for that organisation, bearing in mind, the history, the culture, and the review that you've done has led to this point. So, if something was raised, then I think it could be explained. So those are the answers to those four questions. It's, I'm happy to take questions or I'm happy to let the proceedings continue. Thank you for the chance to be here.

**Grand Master – MW Bro Jim Watt**

Thank you, Stephen. We'll just cover Remit Seven; Remit Seven is confirmed with 90 in favour and 1 against. Brethren, I just want to note before we move to these Remits that Remit 14 allows for a transitional process to be carried out. And based on the comments that we've had from Stephen, there was further work to be done on establishing a process and a structure going forward. These Remits establish the structure to allow us to start that process. So having said that, just note that the remit 14 is a transitional process allows for the next 12 months for us to work through those items raised by Steven and other brethren. Having said that, I asked the Deputy Grand Master to speak.

**Deputy Grand Master RW Bro Pat Cooney**

Grandmaster, Brethren, all this Remit covers is the renaming of the Board of General Purposes to the Board of Directors, and also that the trustees of Grand Lodge are to be members of the board.

**Grand Master – MW Bro Jim Watt**

Sorry would you, please move the motion first please,

**Deputy Grand Master – RW Bro Pat Cooney**

Grand Master, I was going to do that at the end. Further to the Board's explanation contained in with the agenda, I offer the following comments. Why a Board of Directors? This is to emphasise the refined role of the Board, now focusing on governance and on determining and promoting the direction of Freemasonry, particularly through the five-year strategic plan. Subject to subsequent Remits being supported. The current judicial role of and oversight by the Board is to be removed, resting instead with the Grand Master, who will assume responsibility for the effective administration of the disciplinary processes. Although the Grand Master will not have a decision-making role in those disciplinary matters. Turning to the second part of the Remit, the All of Governance Review Working Group was charged with developing a governance structure to meet today's needs, and those for the next 10 years or so. After taking into account the changes to our fraternity in the past 23 years since the previous major review, especially in light of the reduction and membership from around 17, 500 members to fewer than 5000, resulting in a shrinking pool of members to fulfil the governance and regulatory roles. The working group addressed the roles of the Board and of the Grand Lodge Trustees, and has promoted the concept of a Board of Directors comprising seven members and the current Board of General Purposes. But those seven directors also fulfilling the roles of Trustees of Grand Lodge. Presently there are five although with an ability to go to six. The working group also supported the principle of the best person for the job, rather than being a trustee director simply on account of Grand Lodge rank and or geography. We've heard from legal counsel Stephen Moe is to the principal

matters raised on the All of Governance review proposal and hopefully those concerns have been allayed, it is stressed that the report tried to deal with the big picture. And as noted by Mr. Moe there is a need for ongoing development of proposals, particularly over the next 12 months during the transitional period. As regards detail as regards detailing the roles and affording further safeguards within the Book of Constitution for the trustees before the proposed new governance structure takes full effect from November 2024. One of the significant advantages of having common trustees and directors is that whilst the day-to-day governance and overall operations of the craft will fall to the directors when matters affecting the trustees need to be addressed by the trustees. They will already be fully aware of the background to the decisions and or recommendations of the trustees of the directors. This then means that there will be a no surprises approach to the governance and regulatory roles of the persons who are the directors and the trustees.

Grand Master I move Remit Eight as outlined in the Notice of Motion appended to the agenda for the special communication.

**President of the Board of General Purposes – RW Bro Paul Chappel**  
and I'll second those, that motion.

**Grand Master – MW Bro Jim Watt**

Brethren we have a motion on the floor and a seconder. Deputy Grand Master Do you wish to speak further?

**Deputy Grand Master - RW Bro Pat Cooney**  
Not at this stage

**Grand Master – MW Bro Jim Watt**

Does any brother wish to speak? Thank you, Brother.

**W Bro Dennis Lyons**

Worshipful Brother Dennis Lyons, Lodge Takahe, number 397. Most Worshipful Grandmaster, distinguished brethren, brethren all. I am instructed on behalf of my lodge to propose an amendment to the motion that amendment to be proposed to rule 221 B. Before I read the amendment out, Brethren, the reason for proposing the amendment is we had concerns about the duality of the roles between the Grand Lodge trustees and the Board of Directors. We understand the reasoning set out in the All of Governance review. We understand the reasons explained by Right Worshipful Brother Cooney in the Zoom meetings for wanting to reduce the top-heavy nature of the Grand Lodge structure. But we consider that there is a risk in proposing that all the Grand Lodge trustees also become the Board of Directors. The motion for the amendment to the motion that we propose is that the Board shall consist of up to four of the Trustees of Grand Lodge appointed to rule 166 A and up to three persons who shall be appointed as Directors only based on merit and ability. The remit is the amendment is seconded by Lodge Doric Brighton, which was given by Right Worshipful Brother Wright, Past Grand Warden. The reason our discussion...

**Grand Master – MW Bro Jim Watt**

Sorry brother, just before we proceed, is the seconder present?

**W Bro. Dennis Lyons**

By Zoom.

**Grand Master – MW Bro Jim Watt**

By Zoom. Okay. Thank you. Can we have confirmation, please, on Zoom? Do we have a seconder.

**Grand Secretary – RW Bro Duane Williams**

Bob Wright is there? Raise your hand a second on Zoom.

**Grand Master - MW Bro Jim Watt**

Yes. Thank you, please continue, brother.

**WBro. Dennis Lyons**

So, the reason for proposing that only four of the Grand Lodge trustees become directors is that on their own they do not form a quorum. They, by their role will fulfil the requirement that there be no surprises between the Board of Trustees and the Board of Directors. They will be able to inform the other brethren who are not sharing the dual roles. But they preserve some distinction between the two roles, which we consider should be preserved. Open for questions, Sir if you have any,

**Grand Master – MW Bro Jim Watt**

Thank you, brother, if you just remain there for a moment, please. Thank you, first of all, for providing us with the amendment ahead it time very much appreciated. Thank you.

**WBro. Dennis Lyons**

I have to commend Right Worshipful Brother Williams for his assistance in that regard.

**Grand Master – MW Bro Jim Watt**

Thank you, and that is appreciated. Brother, I would like to ask you and your seconder whether you would consider removing the amendment until the end of 2024. My reason for that is that should this amendment go through, it leaves us in a state of limbo because there is nothing in the Book of Constitution and its present format that allows us to appoint Directors. It allows us to appoint Trustees and allows us to appoint a Board that doesn't allow us to appoint Directors. So therefore, we would be in a state of limbo. What I am proposing, if you are prepared to accept it, is that your remit as it presently stands, sorry, you're amendment as it presently stands be reviewed, as part of the transitional period going forward, and put you in a position to put it as we now have a confirmed Annual Communication that can be raised at the Annual Communication next year? Going back to my earlier comment, we are going to work through a transitional period. And you and your lodge and the brethren that put up this amendment would be consulted as we went through. So, what what we're working towards us at the existing trustees and the existing board will work together for the next 12 months, there will be nothing confirmed until the 2024 as stated in the remits to come, nothing will be confirmed upon until 2024. And we suggest that your amendment be submitted as a formal remit at



the 2024 Annual Communication where we will be voting on the final structure. Would you be prepared to do that, and you'll be fully consulted by All of Governance, which is going to continue as we work through that process?

**W Bro. Dennis Lyons**

Okay.

I am acting under instructions Most Worshipful Brother on the undertaking that we would be able to submit the amendment as a formal remit in 2024 at the Annual Communication, then I have don't have the opportunity to consult with my Secunder but I'm thinking on my feet I think that we would be happy provided on the undertaking that's in the minutes that we can submit it as a formal motion.

**Grand Master – MW Bro Jim Watt**

Your secunder is on Zoom. Could Right Worshipful Brother Bob Wright please signify that he is in favour? He has.

**W Bro. Dennis Lyons**

In that case, Most Worshipful Grand Master, we will withdraw the amendment based on that understanding. Thank you for the opportunity to speak.

**Grand Master - MW Bro Jim Watt**

Thank you for raising the matter with us, brother, we very much appreciate it. Does any other brother wish to speak either for or against?

**Jim Watt**

Brethren as there's no further comment. I will put the motion all those in favour will signify in the usual manner? just confirming brethren you are voting only on Remit Eight, the amendment has been withdrawn. Any brother wish to vote against the remit?

**Grand Master – MW Bro Jim Watt**

Thank you, Brethren.

**Grand Master – MW Bro Jim Watt**

We will wait while the online votes are correlated.

**Grand Master – MW Bro Jim Watt**

Brethren, you will note moving forward that Remits 9,10,11,12, and 13 are consequential remits. I'll just wait till this remit is clarified and passed, and then we will move into those. Remit 14 is not a consequential remit so we will stop specifically for that one. We have an indication that things are moving, so we will move to Remit Nine. This is on the understanding that we get the final figures through any moment. Deputy Grand Master

**Deputy Grand Master – RW Bro Pat Cooney**

Grand Master, Brethren, all. This remit covers the composition of the Trustees of Grand Lodge. Further to the Board's explanation contained with the agenda I follow up for the following comments. At the present time the Book of Constitution provides for Grand Lodge to appoint up to six trustees of Grand Lodge. The remit recommends that there be up to seven Trustees including the Deputy Grand Master. The increase is supported, bearing in mind that the Trustees will also become the Directors of the Board responsible for the governance of Freemasons New Zealand. Overall, the number of persons involved as Directors and Trustees were reduced from a maximum of 14 to a maximum of seven. This acknowledges the reduced pool of members from which to draw not only Officer of Grand Lodge but also the Directors and Trustees. That also means that there will be complete alignment between the separate roles of the Directors and the Trustees of Grand Lodge. The inclusion of the Deputy Grand Master ex officio provides an essential element in the ongoing development of the Deputy Grand Master within his role, especially if the Deputy Grand Master is subsequently elected to the role of Grand Master. There is presently no automatic right of succession for the Deputy Grand Master to become the Grand Master in the ensuing term. But there remains a possibility that the Deputy Grand Master may assume the office of Acting Grand Master in the event of a semi-permanent or permanent inability of the Grand Master to fulfil his role. Any Freemason of the rank of Master Mason or above will be entitled to offer himself for the role of Trustee and inherently of Director. The appointment of the Trustees will be made by Grand Lodge in Communication and will involve interview and evaluation processes before the Board makes a recommendation to the Grand Lodge in Communication whether Special, Annual, or Triennial. Grand Master I move remit Nine as outlined in the Notice of Motion appended to the agenda for the special communication.

**President of the Board of General Purposes – RW Bro Paul Chappel**

I'll second that motion.

**Grand Master – MW Bro Jim Watt**

We have a motion on the floor moved by the Deputy Grand Master seconded by the President of the Board. Does any brother wish to speak to the motion?

**Grand Secretary – RW Bro Duane Williams**

No one on Zoom?

**Grand Master – MW Bro Jim Watt**

Nobody on zoom. Brethren, Remit Eight, In favour 85, against 8, the Remit has passed. We're therefore in a position to continue with Remit Nine does any brother wish to speak for or against the remit? Brethren, I will then put the Remit all those in favour signify in the usual manner or those against? Brethren, as there is an obvious majority, we will move to Remit Ten. Next slide, please. Sorry, we're just holding on then. Sorry, Brethren, we just have to wait for a small hold-up on the voting Deputy Grand Master and Brethren. We'll move forward, Deputy Grand Master Remit Ten.

**Deputy Grand Master – RW Bro Pat Cooney**

Grand Master, Brethren and all. This Remit covers the term election of chair and appointment of the trustees of Grand Lodge. Further to the board's explanation contained in the agenda, I offer the

following comments. The proposal is to set a six-year limit subject to transition arrangements, after which a trustee must have a stand-down period before offering himself for a further period of service. As with the current board of general purposes, this maximum provides for a reasonable commitment and the turnover of part of the board of trustees on a three-yearly basis. Once the initial two terms, one year followed by three years have been completed. The trustees presently elect their own chair, and the continuation of this arrangement is proposed. With two exceptions. Neither the Deputy Grand Master nor the Chair of the Board of Directors will be eligible to be elected as the Chair of the Trustees. Having separate chairs of the trustees and of the directors will aid in the desired separation of roles of the trustees and the directors. There are two components of the initial terms of appointment for the trustees. It is intended that the initial term will be for one year, which is November 2024, to the Grand Communication in 2025, at which time three of the appointed trustees will retire they will be eligible for up to another six years, which is to lots of three years giving a maximum of seven years. The other three trustees will be eligible for one three-year term from the 2025 Grand Communication, which is four years in total, after which they cannot be immediately appointed for a further two or three years.

**Deputy Grand Master – RW Bro Pat Cooney**

Notwithstanding the above, it may be appropriate in a particular Grand Communication for a Trustee who has served six continuous years to be appointed for a further period for one year, if the circumstances so dictate. The seventh trustee is to be the Deputy Grand Master, who will, of course, be limited to one three-year term as of right. Grand Master, I move Remit Ten as outlined in the Notice of Motion appended to the agenda for this special communication.

**President of the Board of General Purposes – RW Bro Paul Chappel**

I second that motion

**Grand Master – MW Bro Jim Watt**

Brethren, we have a motion on the floor. Would any brother wish to speak to the motion? Are there any brother who would like to speak against the motion? Brethren, the voting for Remit Nine was in favour 86, against 7, the remit is carried, the motion is carried. Brethren, we have a motion Remit Ten on the floor; we have a mover and a seconder. I will, therefore, proceed with the motion all those in favour will signify in the usual manner. All those against? Brethren, as we have an obvious majority. While voting is correlated, we will move to Remit Eleven. Could we please have the next slide? Deputy Grand Master.

**Deputy Grand Master – RW Bro Pat Cooney**

Grand Master, Brethren all this remit replaces the President of the Board of General Purposes with the Chair of the Board of Directors. Further to the board's explanation contained with the agenda I offer the following comments. The current Board of General Purposes contains eight members, five of whom are members on account of the offices they hold. They are the President, the Grand Master, the Deputy Grand Master, the Grand Registrar, and the Grand Treasurer. In terms of the change to the Board of Directors with the common membership with the trustees, the emphasis is on achieving the best persons for the job, rather than with the exception of the Deputy Grand Master, becoming directors as a result of the Grand Lodge office held by the member. The elected Chair of the Board of Directors will chair the Board meetings provide governance leadership support for the Grand Master

and will have a direct working relationship with the Executive Director. Grandmaster, I move Remit Eleven as outlined in the Notice of Motion appended to the agenda for this Special communication

**President of the Board of General Purposes- RW Bro Paul Chappel**

Most Worshipful Grand Master I second that motion.

**Grand Master – MW Bro Jim Watt**

Brethren, we have a motion on the floor does any brother wish to speak in favour of the motion? Does any brother wish to speak against the motion? Brethren, therefore, I will put the motion Remit Eleven please signify in the usual manner. And in the process of that the voting on Remit Ten was 88 for, 4 against the Remit, the Remit is carried.

**Grand Master – MW Bro Jim Watt**

Brethren, those against? Thank you, brethren. as we have an obvious majority, I will move to Remit Twelve. Deputy Grand Master

**Deputy Grand Master – RW Bro Pat Cooney**

Grand Master, Brethren and all this remit provides for the directors to elect the Chair of the Board of Directors. Further to the board's explanation contained with the agenda I offer the following comments. Being a member of the Board of Directors will not attract any rank. And as a consequence, the Directors as with the Trustees will elect one of their members to be the Chair of the Board .Neither the Deputy Grand Master nor the Chair of the Trustees will be eligible to be appointed as the Chair of the Board of Directors. Having separate chairs of the directors and of the trustees will aid and have the desired separation of roles of the directors and of the trustees. Grand Master I move Remit Twelve as outlined in the Notice of Motion appended to the agenda for the Special Communication.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master I second that motion.

**Grand Master – MW Bro Jim Watt**

Brethren have a motion on the floor, any brother wish to speak in favour of the motion? Any brother wish to speak against the motion? Therefore, brethren, I will put the motion Remit Twelve. All those in favour will signify in the usual manner. Thank you Brethren. Any brother wish to vote against the motion? Brethren the the voting on Remit eleven was 83 in favour, 5 against the motion is carried. Remit Twelve as we have an obvious majority, we will move to Remit Thirteen. Next slide please. Thank you, Deputy Grand Master

**Deputy Grand Master – RW Bro Pat Cooney**

Grand Master, Brethren and all. This remit provides for consequential amendments to the Book of Constitution, applying from the change to a Board of Directors with its own chair. Further to the board's explanation contained in the agenda, I offer the following comments. First, wherever the term Board of General Purposes or the term Board appears in the Book of Constitution, it is to be replaced by the term Board of Directors second, and certain specified rules with the term President of the Board of General Purposes or the term President appears in the Book of Constitution, except in rule 192 A

and rule 192 B. It is to be replaced by the term Chair of the Board of Directors. Third, and certain specified rules the term President of the Board of General Purposes is to be deleted. Fourth, Rules 150 and 151, which relate to the Divisional Appointees on the Board are to be deleted, as all appointed members of the Trustees and therefore of the Directors are to be on merit as the best persons for the job, not on account of geographic representation. Finally, and Rules 192 A and 192 B, which relate to the collars of Grand Lodge officers. The term President of the Board of General Purposes will become Past President of the Board of General Purposes. Grand Master I move Remit Thirteen as outlined in the Notice of Motion appended to the agenda for this Special Communication

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master, I second that motion.

**Grand Master – MW Bro Jim Watt**

Thank you, Brethren. Brethren voting on Remit Twelve is 86 in favour, six against the motion is carried. Brethren, we have a motion on the floor for Remit Thirteen. Does any brother wish to speak in favour of the motion? Does any brother wish to speak against the motion? Therefore Brethren, I'll put the motion - all those in favour will signify in the usual manner and against?

**Grand Master – MW Bro Jim Watt**

Counting for completed. Those against? Thank you, brethren. As we have an obvious majority, we will move to Remit Fourteen—Deputy Grand Master.

**Deputy Grand Master – RW Bro Pat Cooney**

Grand Master, Brethren and all. This remit provides for governance transitional arrangements in the Book of Constitution flowing from the change to a Board of Directors. Further to the board's explanation contained in the agenda, I offer the following comments. The intention is that the current Trustees of Grand Lodge will remain in their role as Trustees. Having said that, those Trustees are to join with the present members of the Board of General Purposes, excluding the Grand Master to form the initial or transitional Board of Directors for the period through to November 2024. The transitional Board of Directors will be responsible for addressing amongst other things, the constitutional clarifications required for the roles and mandates of the trustees and the directors, the suggested normal rules for a trust, which should be part of the Book of Constitution, inviting applications for the roles of trustees and directors, arranging for interviews and evaluations of suitable applicants, and making a recommendation to the 2024 annual communication as to the Trustees. And moving on other matters raised by the All of Governance review working group, including the establishment of the various committees to assist the board. The intention is that the transitional Board of Directors will finish at the 2024 Annual Communication, after which the new seven-person board of directors will take over the governance and strategic direction roles for an initial one-year term until the 2025 Grand Communication. Grand Master, I would wish to move Remit Fourteen, but if I could make one amendment, and if that's in the second last line, delete the word 'special', because we've now determined that we will have an Annual Communication that's the only change and I have based on that Grand Master I will move Remit Fourteen as outlined in the Notice of Motion appended to the agenda for this special communication

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master, I second that motion.

**Grand Master – MW Bro Jim Watt**

Thank you brethren, voting for remit thirteen was 86 in favour, 7 against the motion is carried. Brethren you have the remit in front of in front of you, the only changes because of our initial Remit One was passed is that we now will be able to hold an Annual Communication so the word 'special' is deleted from the Remit I ask is there any brother wish to speak in favour of the motion? Any brother wish to speak against the motion? Therefore, Brethren I will put the motion all those in favour will signify in the usual manner. Thank you Brethren anybody against the motion? Brethren based on that we have a majority will assume that majority are in favour of the motion.

**Grand Secretary – RW Bro Duane Williams**

Next slide is a pleasing Refreshment Break. [Audience laughter].

**Grand Master – MW Bro Jim Watt**

Brethren I see the time at 11.40am. I suggest we break for a cup of coffee, cup of tea and something to eat and we reconvene Grand Lodge at 11.55 am. Grand Lodge is adjourned.

Refreshment Break taken by Grand Lodge.

**Grand Master- MW Bro Jim Watt**

Grand Lodge is reconvened.

Brethren before we commence with Remit Fifteen. The vote for Remit Fourteen was 87 in favour, 5 against the motion is carried . Let me get my paperwork together. Right Brethren, we now move to Remit Fifteen. Grand Registrar.

**Grand Registrar – VW Bro Noel King**

Most Worshipful, perhaps as an overview, Remits Fifteen to Twenty-Three is concerned with masonic complaints and different procedures. I've been Grand Registrar now for four years, been on the board for four years. One of the things that does take up a lot of the Board's time is the resolving of differences and complaints, and under the current Book of Constitution, they go back to the Board of General Purposes. Of course, the Board of General Purposes now changed subsequent to the previous remits. One of the main elements of these remits is the creation of an independent judicial panel, which is not unusual. In fact, it's fundamental to our democracy, that that is what we have. We have our legislative and we have our judiciary, which is separate, and that is fundamental to the separation of powers. So I, Grand Registrar, put forward the motions of Remits Fifteen to Twenty-Three.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master, I will second those motions.

**Grand Master – MW Bro Jim Watt**

Thank you. Grand Registrar and President of the Board. Grand Registrar, would you care to speak to Remit Fifteen?

**Grand Registrar – VW Bro Noel King**

Remit Fifteen looks to add into the definition into the Book of Constitution a definition of a Masonic entity. As it stands right now, a Masonic entity for legal purpose for purposes within the Book of Constitution doesn't exist. So, there is nothing to reference to it. The definition includes what we all know does exist, which is a limited liability company whereby the limited liability company shareholders are the trustees of a lodge or a trust where the trustees of that trust are the trustees of a lodge, and therefore they control the assets of the lodge. That is not looking to impose any control by Grand Lodge over that. This Remit is just specifically establishing the existence of that legal entity.

**Grand Master – MW Bro Jim Watt**

Does any brother wish to speak to the motion?

**W Bro Brian Evans**

Grand Master.

Grand Master Brian Evans online would like to speak.

**W Bro Brian Evans**

Thank you Grand Master, Brian Evans United Horowhenua Lodge we have had an Incorporated Society, previously operating as Lodge Levin, Lodge Horowhenua, and now the United Horowhenua Lodge for 49 years. We're curious about the term Masonic entity, does it include and incorporate society?

**Grand Master – MW Bro Jim Watt**

Could you please repeat your Lodge and number? I missed that.

**W Bro Brian Evans**

The United Horowhenua Lodge No 464.

**Grand Secretary – RW Bro Duane Williams**

Please repeat your question.

**W Bro Brian Evans**

Does the term Masonic entity include an incorporated society?

**Grand Master - MW Bro Jim Watt**

Grand Registrar?

**Grand Registrar – VW Bro Noel King**

As it stands right now, where we've limited it to as the trust. As a trust and limited liability company, we haven't included the incorporated society as a Masonic entity within this remit.

**Grand Master - MW Bro Jim Watt**

Brian, does that answer your question?

**W Bro Brian Evans**

Well, it goes, 'includes but is not limited to', do I take it for that, that it could be at some stage in the future.

**Grand Registrar – VW Bro Noel King**

It could be I understand, I think we've spoken previously, Brian, about your situation on the building.

**W Bro Brian Evans**

That's correct. As it stands, now, we tenants of our building, which is owned by an incorporated society, which is not covered by the Book of Constitution. Hence, my question, is it intended at some stage that it would be changed to cover that situation?

**Grand Registrar – VW Bro Noel King**

Yes, if you're a trustee of the trustees of your lodge, if you fit within the definition of trust, you've got the trust with the trustees of that trust, who are appointed by the trust. If they are appointed by the lodge to be members of their Incorporated Society, and they control trust funds, will they control large funds? Yes, they would.

**W Bro Brian Evans**

They didn't, the Incorporated Society stands separate. And no member of the lodge is an officer of that, when they meet as an incorporated society, they meet as members of the Incorporated Society, and not as members of United Horowhenua Lodge.

**Grand Registrar – VW Bro Noel King**

Appointed from your lodge to be members of that incorporated society?

**W Bro Brian Evans**

No, they are nominated and appointed or elected by members of the incorporated society.

**Grand Registrar – VW Bro Noel King**

And the incorporated society controls lodges funds?

**W Bro Brian Evans**

No, it doesn't have anything to do with the lodge. It is a standalone legal entity with its own Board of Directors.



**Grand Registrar – VW Bro Noel King**

Yes, I would say we'd have to look at that. I couldn't give you an opinion without going through it thoroughly.

**Grand Master – MW Bro Jim Watt**

If I may just add there, your situation at Horowhenua is probably rather unique and is probably clouding the situation at the moment as to how that building was arranged and put in place, because I understand it was covered by a separate agreement with the Grand Lodge Trustees at the time it was put in place. Brian, maybe we can just exclude that from the discussion at the moment, but it's something we need to follow up on going forward. And there'll be direct consultation between the Grand Registrar and yourself, correct Grand Registrar?

**Grand Registrar – VW Bro Noel King**

That's correct. I understand that it was incorporated 50 years ago, in 1970.

**Grand Master – MW Bro Jim Watt**

That correct Brian?

**W Bro Brian Evans**

1974

**Grand Registrar – VW Bro Noel King**

So, it goes back a while. You'd been in existence for a while, but it needs a bit of a hard look at what that situation is.

**Grand Master – MW Bro Jim Watt**

Are you happy with that? Brian, that we consult directly with you in the new year on that?

**W Bro Brian Evans**

Yes, Grand Master, thank you for that,

**Grand Master - MW Bro Jim Watt**

Thank you.. Does any other brother wish to speak? Then, brethren, I will put the motion. Remit Fifteen is on the table. All those in favour will vote in the usual manner. Those Against?

**Grand Master – MW Bro Jim Watt**

Thank you, brethren. As none of these Remits flowing forward or consequential meaning that remit Fifteen has no effect on Remit Sixteen, we will continue to move forward and on the floor now as Remit Sixteen Grand Registrar.

**Grand Registrar – VW Bro Noel King**

Thank you, Most Worshipful, the Remit Sixteen refers to clause 238, which refers to differences under the current Book of Constitution, the any party may appeal to the Board of General Purposes, that has been replaced by may appeal to the Grand Master such removing the Board of General Purposes as

stated from the differences procedure. And then, instead of the Board shall consider the appeal it's the Grand Master shall consider the appeal and may refer the differences to the Lodge or the appropriate Divisional Grand Master for settlement or refer to a Committee for settlement. So, they're just essentially replacing the Board of General Purposes as the reference point and replacing the Board with the Grand Master because the Board of General Purposes course is completely changed now.

**Jim Watt**

Thank you, Grand Registrar.

**President of the Board of General Purposes – RW Bro Paul Chappel**

I'll second that motion, Most Worshipful Grand Master

**Grand Master – MW Bro Jim Watt**

We have a mover and a seconder. Does any brother wish to speak to the motion? Does any brother wish to speak against the motion? Brethren, we just need to hold; we can't continue the voting until they wind up the last one. So just give us a couple of seconds. This is living proof that a piece of paper is faster than technology. We now appear to be in a position, Brethren. There is a motion Remit Sixteen on the table. I'll ask you to vote according to your conscience in the usual manner, just confirming that to those on technology, we're voting for Remit Sixteen. Those for? Those against?

**Grand Master – MW Bro Jim Watt**

Thank you, brethren.

**Grand Master – MW Bro Jim Watt**

We are just correlating Remit Fifteen. Brethren voting for Remit Fifteen is 73 in favour and 18 against the motion is carried. Voting for Remit Sixteen is now underway. We're just correlating that now. We will move to Remit Seventeen. Grand Registrar please.

**Grand Registrar – VW Bro Noel King**

Most Worshipful Grand Master. This current rule 239 b. 239 c., that states a lodge commits Masonic Offence whenever in breach of these rules as bylaws or charter. Or the rulings of directors or the Grand Master or of the Board of General Purposes or otherwise acts in a manner that are likely to bring the craft into disrepute. This amendment adds that a Lodge or Masonic entity commits a Masonic offence when a breach of these rules under the Book of Constitution or acts of a manner that are likely to bring the craft into disrepute. So it brings it if you would, within the range of something for which a complaint could be made, a Masonic complaint could be made against.

**Grand Master – MW Bro Jim Watt**

Thank you, Grand Registrar

**Grand Registrar – VW Bro Noel King**

There is probably an amendment. I just noticed that we still refer to the Board of General Purposes, but of course, the Board of General Purposes will be replaced.

**Grand Secretary – RW Bro Duane Williams**

It's a consequential amendment, and that reference will disappear.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master, I second that motion.

**Grand Master – MW Bro Jim Watt**

Thank you. Brethren, Remit Seventeen is on the floor. Does any brother wish to speak to the remit? Does any brother wish to speak against the remit? Brethren, voting on Remit Sixteen was 83 in favour 4 against the motion is carried. Brethren Remit Seventeen is on the floor to go voting. Therefore put the motion all those in favour signify the usual manner and those against?

**Grand Master – MW Bro Jim Watt**

As we have an obvious majority, we will move to Remit Eighteen While that one's been correlated. Grand Registrar.

**Grand Registrar – VW Bro Noel King**

Grand Master, Remit Eighteen looks to amend rule 240A. 240A includes that the Board of General Purposes shall be a disciplinary tribunal. But of course, we're looking to take that out and removing the Board of General Purposes will no longer be a disciplinary tribunal. We're replacing it with the wording as the disciplinary tribunal shall mean the Divisional Grand Master when hearing a complaint under this part, or the Grand Masters Nominee or Committee when sitting as a Disciplinary Tribunal to consider a complaint under this path or a trial commission. That isn't actually the Grand Master because one of the issues is of course, the Grand Master under Rule 15 has the power of pardon. So, he has the ultimate authority. He will not be a nominee/ not on the disciplinary tribunal, but he will appoint a nominee or a committee for such a function. So essentially, Remit Eighteen removes the Board of General Purposes as a disciplinary tribunal and replaces it with a Grand Masters nominee or committee.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grandmaster, I second that motion.

**Grand Master - MW Bro Jim Watt**

Thank you. Sorry, Brethren. We are just taking our time on previous voting. Brethren, we have a motion on the floor. Remit Eighteen. Does any brother wish to speak in favour of the motion? Does any brother wish to speak against the motion? Therefore, Brethren, we'll put the motion. All those in favour will signify in the usual manner. Brethren, those against? As we have an obvious majority within this room again, I will move to Remit Nineteen, Grand Registrar.

**Grand Registrar – VW Bro Noel King**

Thank you. Remit Nineteen, looks to amend rule 241, which is a procedural matter. What is significant, perhaps is that there can be a complaint alleging a Masonic offence against any large Masonic entity or brother. But also a Masonic entity may lodge a complaint against a lodge or brother or another Masonic entity. So that brings it within their compass of regulation. And apart from that, it's replacing its forwarding to the Grand Master who shall consider the complaint, refer the complaint to a nominee committee or commission. There is an amendment and also an amendment to introducing 241 d., which is a new provision. There have been instances where there has been a rumoured allegation but no official complaint. What this gives the Grand Master power to do is actually inquire if a complaint or the grounds for complaint exists, and if so determined that so that you don't have this innuendo festering in the background, if he would say, but no complaint he can say I want this looked at and I want a trial commission to look at this and determine this and put this to bed, either this exists or does not exist. So that is the amendment D It gives the Grand Master the power to do that. To look at an issue where there's innuendo allegations, accusations, but no actual complaint to actually have a trial commission determine it and put it to bed, there is either exists or does not exist. So that is the other major amendment to 241, an addition of 241 d.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master, I second that motion.

**Grand Master - MW Bro Jim Watt**

Thank you, Brethren and before we move forward and Remit Eighteen vote was 86 in favour 5 against the motion is carried. Brethren we have a motion for Remit Nineteen on the floor moved by the Grand Registrar, seconded by the President of the Board, does any brother wish to speak to the motion?

**RW Bro Mick Turner**

Most Worshipful Grand Master Mick Turner, Empire Ferguson Lodge No 225, Divisional Grand Master Central. Brethren, I would like to talk to particularly part d. of this motion. I have experienced on a number of occasions where there have been bad behaviour within lodges and entities where we cannot do anything about it. We are an organisation that prides itself on good behaviour. And it is the very small minority of people that are actually involved in this. However, that small minority has a disproportionately adverse effect on our organisation. So, I feel that it's very important that we actually pass this motion. That's it, Most Worshipful Grand Master.

**Grand Master - MW Bro Jim Watt**

Thank you, Divisional Grand Master. We have another speaker.

**WBro Dennis Lyons**

W Bro Dennis Lyons, Lodge Takahe No 397. Most Worshipful Grand Master, distinguished Brethren and Brethren all. Lodge Takahe No 397 is concerned about paragraph d. The new the new provision that is being inserted by this motion, and proposes a motion that paragraph d. be removed from the proposed amendment to rule 241. This amendment is seconded by Right Worshipful Brother Wright Lodge Doric Brighton, Lodge Brighton as previously.

**Grand Master – MW Bro Jim Watt**

Before we move forward, can we just confirm that Right Worshipful Brother Wright seconds the motion and seconds the amendment... he has seconded, and carry on, brother

**W Bro. Dennis Lyons**

Also representing The Masters and Past Masters Lodge No 130 and Right Worshipful Brother Wright as a member of that Lodge, so as am I. However, hence we are in two different lodges. But Lodge Takahe is proposing, Lodge Doric Brighton is seconding. We/I attended all the Zoom meetings and spoke with Right Worshipful Brother Cooney. We understand the reason why this amendment is in there. However, we consider that it presents the Grand Master with very broad powers and that those powers should not be exercised. Powers of inquiry should not be exercised unless a formal complaint has been made under the provisions of the Book of the Constitution. Without a formal complaint, we consider that there should be no investigation that the brother has committed an offence, and then there should be other brethren who should be willing to stand up and make a formal complaint to the disciplinary process commencing. Hence, we believe that this addition should be removed from the proposed remit. We have by no objection to the other parts of the remit a. b. and c. Just Point d. Open for questions, if there are any.

**Grand Master – MW Bro Jim Watt**

Brethren, we now have an amendment on the floor. The amendment is that Remit Nineteen, amend rule 241 d., that 241 d. be removed from the Remit Nineteen. Thank you Brother you may sit down. Does any brother wish to speak in favour of the remit or the amendment? Thank you. Brother. Does any brother wish to speak against the amendment?

**Unknown Speaker**

Most Worshipful Grand Master, I think by removing this would undermine some of the previous motions that have been passed regarding entity. This is again to protect the Craft. And as the Divisional Grand Master Central outlines, there is a lot of disproportionate energy that comes about from a particular person being able to influence the masses and the inability to be able to speak out for fear of consequence. So that's what that clause d enables, so I'll speak against the amendment.

**W Bro Clint Cooper**

Most Worshipful Grand Master, Clint Cooper, Lodge Herbert Teagle-Taia No 300. I was wondering for amendment d., I think maybe intent of withdrawing it may be better satisfied by if d.'s can only generate a Masonic Offence that's is then tried separately. So it's not a judge and jury its effect only.

**Grand Master MW Bro Jim Watt**

Please clarify, brother.

**W Bro Clint Cooper**

I think this Section d. would allow a judge and jury approach to be the prosecutor and the lawyer. Would it be better to have an amendment where you, the Grand Master, can have a panel that will

find if a Masonic Offence has been created, and then lodge that offence on behalf the of the craft, and then a separate panel will judge that offence.

**Grand Master - MW Bro Jim Watt**

Thank you, brother for your comments.

**Grand Registrar – VW Bro Noel King**

One of the things I just put in there is an inquisitorial function. So, what we have in New Zealand and our court system is an adversarial where you have this guy versus this guy. And then the judge says, who's going to win and sits in the middle. What you do in Europe is you have an inquisitorial function where the actual judge does the inquiry. Like the Spanish? Yes. Yeah. Yeah, we don't want one of those. Yeah. But that's the thing. And when you're a lawyer sitting in a European court, basically, you're just sitting there giving legal advice to your client not to speak, and when to speak, you don't actually do that cross-examination, that attacking function. So that's why I put in there an inquisitorial role, so that he will then have a trial Commission conducted an inquisitorial function, not an adversarial function, just see if what if is it? Is there anything there? If there's nothing there, put it to bed, and otherwise, it will fester. And that is what we have found. And you will find that law society, for example, have that function, they don't need a complaint, they will just act on something and determine it and put it to bed, they will not let it sit there and snowball into something which it shouldn't be. Thank you.

**Grand Master – MW Bro Jim Watt**

Thank you Grand Registrar, Thank you Brother. Sorry. Thank you. Brethren, we have an amendment to Remit Nineteen on the floor. Nobody else wishes to speak I.... - yes Deputy Grand Master.

**Deputy Grand Master – RW Bro Pat Cooney**

Grand Master, if I may. And drawing on my experiences as Divisional Grand Master where I had a number of Masonic differences and offences. I believe based on that experience that had the Current Provision had (amendment) d. been in place, it would have meant that a number of these would not have got to the stage of a Masonic difference or a Masonic offence. They can take a lot of time and effort and cause a lot of disharmony. If we have an opportunity to nip it in the bud so to speak, then that has to be better for Freemasonry, and as said Grand Master based in my experience, I would fully support the inquisitorial role being available as an option if necessary.

**Grand Master – MW Bro Jim Watt**

Thank you Deputy Grand Master, any other brother wish to speak? I therefore intend to put the amendment so Brethren, you are voting on the amendment and the amendment is that remit nineteen rule 241 d be deleted. All those in favour will signify in the usual manner. Those against? Yes, Brethren there will be a short hold while we confirm with the others online and phoning in. Thank you, Brethren and those we've just got to wait till we get the others to come on because we cannot put Remit Nineteen until we have that result.

**Grand Master – MW Bro Jim Watt**

Yes, Remit Seventeen was 79 in favour, 11 against. Just bear in mind Brethren that a full copy of the transcript of this meeting will be made available to all lodges subsequently.

**Grand Secretary - RW Bro Duane Williams**

Brethren, you'll receive a circular that indicates the remits that passed and by which proportion they passed or failed.

**Grand Master – MW Bro Jim Watt**

Brethren, do we have a result on that amendment?

**Grand Secretary – RW Bro Duane Williams**

Brethren, it will be two minutes.

**Grand Master – MW Bro Jim Watt**

Brethren, while we're just waiting, we just we just have to check this amendment, whether it's gone through or not, the Grand Secretary has reminded me to ensure that you will take the Annual Report home and then leave them in suitable places like your lawyer's office, your accountants' office, the library. I do have to commend our Grand Secretary and our Executive Director for the work that's gone into this document. You may be aware that under the Charities Commission, there's been a requirement that states Statement of Services be detailed more and I think we can honestly say that this is a document we can be proud of as it actually details what we as a group and as an organisation in New Zealand do and accomplish. Thank you we have we have the result of the amendment, the amendment is 13 in favour 75 against the amendment has lost. Brethren, I will, therefore, proceed to put the remit; all those in favour will signify in the usual manner on Remit Nineteen. Brethren those against.

**Grand Master – MW Bro Jim Watt**

Thank you, brethren. As we have a majority in the room on that one, and it's not consequential. I shall move to Remit Twenty. Grand Registrar.

**Grand Registrar – VW Bro Noel King**

Grand Master, Remit Twenty is a view with a consequential amendment that a trial commission shall adjudicate the complaint and report the result of a determination back to the Grand Master. And I know that we also have the Board of General Purposes, but our Grand Secretary will fix that as a consequential amendment.

**Grand Master - MW Bro Jim Watt**

That will be a consequential amendment?

**Grand Registrar - VW Bro Noel King**

So right now a trial commission doesn't report its findings back to the Grand Master. But under this Remit they will report their findings back to the Grand Master.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master, I'll second that motion

**Grand Master – MW Bro Jim Watt**

Brethren, we have a mover and a seconder for the motion. Does any brother wish to speak? Does any brother wish to speak against the motion? Therefore, Brethren I intend to put the motion. Brethren we are voting on Remit Twenty. Please vote in the usual manner that's custom to Freemasons. Brethren, while the counting is going on the voting for Remit Nineteen was 72 in favour 16 against the motion is carried. Thank you brethren, for that one. Anybody wishing to vote against Remit Twenty? Thank you, Brethren. As we have a majority in the room, we will move to Remit Twenty-One. Grand Registrar

**Grand Registrar – VW Bro Noel King**

Remit Twenty-One looks to amend rule 244 There's quite a bit in this. Okay. So it looks to amend the Rule 244. 244 a. as amended. Currently it says if a brother has been convicted of an offence against the laws of the land, it adds and if at any time a brother has been convicted of an offence under the laws of the land. So it would include a time if he had been convicted prior to him becoming a brother. So it makes it clear if a brother so under the wording, the wording as it stands that if a brother has been convicted, one could argue that he must be had been convicted when he was a Mason. And if he was convicted prior to being a Freemason, then it does not apply. We have added that if at any time a brother has been convicted, so he could have a criminal conviction not be clear that they made a member and then subsequently found out later on. The other thing that we've got is that under changing slide 244b i. Currently, there is a contradiction in the Book of Constitution, and it says that a trial commission may impose expulsion. A trial Commission can only propose expulsion that contradicts later on, and that same 244, which says that expulsion, anytime can only of a brother, can only be made at Communication. So the first amendment to 244b i. is that it can only recommend to Grand Lodge, the expulsion of a brother, a trial Commission cannot expel none of your judiciary panels can expel they can only come back and recommend. And it can only take place at a commission or the suspension or removal of a Lodge, shall we say or a Lodges charter can only take place at a communication year. The various things can't. What it also adds is that what we've found with the trial commissions, and that is that there aren't very many penalties that can be imposed, essentially what you've got as he had expulsion, which was incorrect. Anyway, he had suspension, censure, fine and admonition and that was the full range of what you could do. We had situations where persons holding Grand Lodge rank would be found liable of on offence, but that Grand Lodge rank cannot be renewed. So the penalties have been added to. So, we now have the penalties proposed: recommended to Grand Lodge expulsion of a brother, removal of an active rank, removal of a past active rank if the offence was committed, whilst the brother held that active rank, removal of an honoris causa rank. So, if a brother has been made an honoris causa rank and he commits a Masonic offence such that it is that serious that he should have the removal of that rank, that rank can be removed. Suspension, censure, fine, admonition, and it adds as the last one a written warning which is not too dissimilar to an employment law process where somebody can not actually get something imposed against them, but they can be put on notice that if this happens again, there will be a more serious consequence and it will be a written warning as available. What it does, this rule 244 under 244 e. It adds that if a Masonic entity has been found guilty of Masonic Offence, any one or more of the following penalties may be imposed against the trustee or director or partner of that entity. So there can be no there is no penalty imposed against the Masonic entity, but it can be imposed against the trustee who acted in



that manner in that Masonic entity. And those are the same rules which cover a Brother in a Lodge. Acting in the same way. Okay, that's my time.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master, the Board of General Purposes and the Grand Lodge trustees fully support this motion, and it does show that no one of rank is above the laws for all Brethren, and I second that motion.

**Grand Master - MW Bro Jim Watt**

Remit Twenty 85 in favour 4 against. We have Remit Twenty-One on the board, does any Brother wish to speak to the remit?

Proceed forward Brother.

**VW Bro Leonard Jeffrey**

Leonard Jeffrey, Lodge Te Aroha No 52. I have no problems with it as a whole, but on the very first page, it said, If a brother has been convicted of at any time of an offence, each shall be excluded from Freemasonry. Now if a young man does something stupid when he's 16, and he gets convicted, and at 50 years of age, he's had a good life. He's done everything right. We are then going to remove him from Freemasonry. If you change that word from 'Shall' to 'May', I would be very happy.

**Grand Master – MW Bro Jim Watt**

Brother, are you moving an amendment?

**VW Bro Leonard Jeffrey**

I would like to make an amendment if any brother would like to support that just the word shall be removed, which means that we have no option. If we discover that a 16 year old.. He's been convicted of whatever. We may remove it. But I don't think it should be compulsory to move in which the word shall mean as in my vocabulary.

**Grand Master – MW Bro Jim Watt**

You're making a formal formal amendment to the motion that 244A said "he shall be expelled from the craft" on line 1,2, 3 shall be replaced by "he may be expelled from the craft".

**VW Bro Leonard Jeffrey**

Yes.

**Grand Master – MW Bro Jim Watt**

Thank you, brother. Do we have a seconder for the motion?

**RW Bro Dene Richards**

Dene Richards Lodge Pukemiro No 301. I think it'd be a fair comment that a man has proved himself worthy after a number of years, we should be then looking at it from being compulsory to looking at it as an individual case.

**Grand Master- MW Bro Jim Watt**

So you are seconding the motion?

**RW Bro Dene Richards**

I do second that. I do.

**Grand Master – MW Bro Jim Watt**

Thank you, brother. Brethren, we have an amendment to the motion Line, Line 3, rule 244 a.; the words, the word "shall" be replaced with the word "may". Does any brother wish to speak to the amendment.

**Grand Registrar – VW Bro Noel King**

Perhaps Most Worshipful Grand Master, but perhaps the only comment I would make would be that the Grand Master still has the power of under the Book of Constitution Rule 15 of pardon, so that he may overrule that at his discretion and pose and say, I over overrule the Book of Constitution. The rule is quite wide; he can overrule that, in this case, that particular sentence, and if you would provide the pardon, that rule does not apply to that person given that person's situation.

**Grand Master – MW Bro Jim Watt**

Thank you, Grant Registrar. Brother?

**W Bro Dave Henry**

Most Worshipful Grand Master. Dave Henry and I'm speaking on behalf of The Coronation Lodge No 127. We support the amendment to the motion. Our fear was that if we made it compulsory, we may fall foul of the likes of the Human Rights Commission and other legal entities. And it could bring the craft into some very, very public discussion, shall we say? Around whether we're right or not. So thank you.

**Grand Master – MW Bro Jim Watt**

Thank you, Brother. Does any other brother wish to speak? Does no other Brother wish to speak? Brethren, we have an amendment oh sorry.

**W Bro Kieran Crickmar**

Kieran Crickmar, Trentham Lodge No 262. I do agree with the amendment, but just as a point of clarity, if I could from the Grand Registrar that if the person is convicted, it is by resolution of the Board of General Purposes so that conviction will be evaluated before they are expelled is just as a point of clarity or is it, it goes to the board it's basically yes or a no, you're in, or you're out

**Grand Registrar – VW Bro Noel King**

if an entity or a Brother has been convicted of an offence against the laws of the land and sentenced to prison or sentenced to home detention, he shall be expelled from the craft by resolution of the Board

of General Purposes forthwith the board being satisfied of such conviction and such sentence. So it's a definite.

**W Bro Kieran Crickmar**

So there's no discussion at the Board level it's literally the Board will just pass there and then.

**Grand Registrar – VW Bro Noel King**

Yes. That is correct, and he shall be expelled. If a brother has been convicted of an offence against the laws of the land and sentenced to a term of imprisonment or a sentence of home detention, he shall be expelled from the Craft by resolution it's not he maybe, it's not he could be, it's he shall be, you got a "shall" in there and not a "may". So, it might change that from a "shall" to a "may"

**Grand Master – MW Bro Jim Watt**

No, that is the amendment that we have on the floor at the moment. Thank you, brother. The amendment we have on the floor at the moment brethren is that 244 a. Remit Twenty-One 244 a. the word "shall" be replaced with the word "may" I therefore intend to put the amendment. All those in favour will signify in the usual manner while the counting is going on brethren Remit Twenty was 85 in favour, 4 against - the motion is carried. Brethren there is another delay, because we have to clarify that amendment before we can move to the original motion those against? Thank you Brother Scrutineers, Do you have the online vote through yet? Brethren the amendment to change the word "shall" to the word "may" we have 75 in favour, 13 against, the amendment is successful I therefore, now proceed to put the original remit which now with the change to the word "shall", all those in favour of remit, "may" sorry all those in favour of Remit Twenty-One Rule 244 will signify in the usual way among Freemasons Brethren.

**Grand Master - MW Bro Jim Watt**

Thank you, brethren. All those against brethren, as we have a majority in house here and the are not consequential, I will now move to Remit Twenty-Two. Grand Registrar.

**Grand Registrar – VW Bro Noel King**

Grand Master Remit Twenty-Two looks to add/include a new provision to rule 246 g. 246 is all about suspension when a Brother is suspended. The current applicable wording is in 246 d. and it says no craft lodge shall during the suspension known we have any masonic relations with those that, sorry.... will knowingly admit to its meeting or have any Masonic relations with a brother so suspended. So lodge shall not admit to its meeting or having known Masonic relations with a brother so suspended. We've had instances, for example, where a person holds a position within a lodge, say, secretary says I'm not coming to the lodge. But I still have a lodge secretary. And I will still do those functions because I'm not suspended from being the lodge secretary. There is a Masonic function on and I'm not suspended from going to Masonic function, I'm only suspended for being...

**Grand Master – MW Bro Jim Watt**

Speak Closer to your microphone, please Brother.

**Grand Registrar – VW Bro Noel King**

So what this looks to do it and all of that that member is a trustee of that Lodge and as a trustee on say Charitable Trust, and their argument is that I may be suspended from lodge but I'm not suspended as being a trustee on the Charitable Trust, and I insist that I shall attend that. So this makes it clear under Rule 246 g. that if a brother is suspended and holds office in a lodge, he will be suspended from holding that office, including the trustee of a lodge. If the brother holds a position in a Masonic entity and was appointed or elected to that position. That brother is also suspended from the position to which he was appointed or elected. So, you don't get that situation of a brother who says I'm not going to a lodge meeting I'm going to a trustees meeting of the charitable trust. And so, I'm going, well, no, you're not because this means you're suspended.

**Grand Master – MW Bro Jim Watt**

Thank you, Grand Registrar.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most worshipful Grandmaster, I second that motion

**Grand Master – MW Bro Jim Watt**

Brethren, we have a motion Remit Twenty-Two, amendment to rule 246 g. On the floor, does any Brother wish to speak to the motion? Does any brother wish to speak against the motion? Brethren I intend to put the motion all those in favor signify in the usual manner. Brethren, while the counting is going on Remit Twenty-One in favor 77, against 11. The motion is passed. Thank you Brethren. As we have a majority and not consequential, I will move to Remit Twenty-Three. Grand Registrar?

**Grand Registrar – VW Bro Noel King**

Grand Master, Remit Twenty-Three as an amendment to rule 247 b. iii. and it should read d. not c. 247 b. iii refers to its documents. The current thing that says to bring with them the charter any books, papers and other documents relating to the lodge that it may request changes or to bring with them any documents relating to the proceedings that it may request to produce this. So just doesn't confine it with the charter, any books, papers or other documents it can vote. Such times to bring with them any documents relating to the proceedings that it may request to reduce the sort of things held by the brothers etc. And then 247 d., 247 d. covers when the Grand Registrar cannot sit in a proceedings or having to do with a complaint being heard against a lodge or a brother, it adds in there or any 247 d adds in there "or any proceeding which involves a Masonic entity. So I'm removed from that I don't get involved in the actual hearing or bringing up a complaint etc. So 247 d. adds Masonic entity into that definition. The current 247 d.

**Grand Master – MW Bro Jim Watt**

Thank you, Grand Registrar.

**President of the Board of General Purposes – RW Bro Paul Chappel**

Most Worshipful Grand Master, I'll second that motion.

**Grand Master – MW Bro Jim Watt**

Brethren just point to note that there's a typo and it should read amend rule 247 b.iii. and d. not c. Brethren, there's a motion on the floor with a seconder, does any brother wish to speak...Does any Brother wish to speak to the motion? Does any brother wish to speak against the motion? Then Brethren, I intend to put it. All those in favour signify in the usual manner . Those against? While counting is going on; results of Remit Twenty-Two were 79 in favour, and 9 against the motion carried. Brethren. I'm being very conscious of time so I will move I will move to item four on the agenda

**Grand Master – MW Bro Jim Watt**

Brethren, as has been spoken before, only a meeting of the Grand Lodge can expel a brother from the craft. You have, we have before you approval for the expulsion of Very Worshipful Brother Ross Rex Past District Grand Master for un-masonic behavior and for bringing the craft into disrepute. I've put the motion that he be expelled from the craft. All those in favor signify in the usual manner. Thank you, brethren those against? I will therefore move to notice of noting that Worshipful Brother Kevin Carroll Past Grand Steward has been convicted of an offence under the laws of the land requiring imprisonment and is therefore automatically expelled from the craft. Thank you, brethren for your time and for moving through things.

**Grand Master – MW Bro Jim Watt**

Brethren, the Results of Remit Twenty-Three: 79 for and 8 against. Results of Expulsion requiring the approval of Grand Lodge Meeting in Communication 82 for and 1 against.

**Grand Master – MW Bro Jim Watt**

Brethren, thank you for your attendance today. And thank you for your I know you got some more. Yes, no, no, I realised that I'm about to move to the next slide. Brethren, Thank you. Listen, Being up front, we've trialed something new today with voting both online and live. It was complicated by the fact that we had a couple of hubs and brethren on WhatsApp also coming in, we know next time not to allow that and to streamline that. Brethren, we have signaled for a period of time that there are changes with regard to the Trusts Act 2019 and the responsibilities of Lodge Trustees. I would like to invite the Chair of the Trustees, Right Worshipful Brother Neville Patrick, to make a presentation on the role of the Trustees

**Chair of Grand Lodge Trustee – RW Bro Neville Patrick P Dep GM (The PowerPoint Presentation is available to the end of the Book of Proceedings)**

Thank you Grand Master.

Okay, Brethren. What this presentation about is about today is to highlight the issues that had become apparent over a number of years. And the Grand Master rightly signaled that we have for some time been concerned about the role of trustees more particularly the responsibilities of trustees and understanding what their role as a trustee might look like. So today's presentation is designed to give you an understanding, and there is an outcome at the end of this. And the outcome is 2024. And I've gone right to the last slide, but we'll come to the later on as well. While you might be listening to the presentation, and thinking, Oh, heck, what goes on here, in 2024, there will be a number of webinars

and seminars and any other meetings that we can arrange to actually train and develop trustees throughout the country. So now I'll move on to the next. Next slide, if I may. Thank you. Thank you. So what I'd like to talk about today is the technical side of being a trustee, and who are trustees. And secondly, the effect of being a trustee. So a trust is not a legal entity it is but a fiduciary relationship. And so that means that the trustee and will be discussed later on trustees, in lodges, some trustees, or some lodges have no assets whatsoever, apart from perhaps regalia that we're seeing in the room today. Other lodges and entities also have trustees, and they do have assets to manage. So trustee is the legal owner of the assets held in a trust, and they are responsible for managing those assets to promote the permitted purpose of the trust and the beneficiaries benefit of the trust. And they have a personal liability for that trust property. That, in itself raises a number of questions and should have thought of trustees in this room right now. A number of you'll be thinking, Okay, now how does that actually affect me? Let's just move on. Next slide. So what you as trustee, and, again, I'm talking to the whole country here. But as a trustee, you need to understand what your duties and powers are. By understanding the terms of the trust that set out in the trustee, the Constitution, or the rules and bylaws and your legal responsibilities and who you are accountable to.

And if I can just digress slightly, trustees, I know a number of them are elected each year, in their lodge. And "yes, I'll be a trustee for the lodge", but in an actual fact have a limited understanding of what their role is in accordance with the law, what their roles are. You also need to understand the relevant laws on trust, which had been developed through case law, common law developed by the courts, and also legislation passed by Parliament. So the rules are there, the rules are black and white. And we as trustees, and on Grand Lodge trustee along with a number of four other Grand Lodge trustees, we have and need to be cognizant of what all these rules are, so do the trustees and lodges and entities. Next slide, please. So our rules are set out in the Book of Constitution. And that's clause 230 onwards, our Lodge bylaws will have comments about lodge trustees, and also the trust deed of the actual trust that you're actually involved in. The key legislation. As you can see, there is the Grand Lodge of Freemasons, New Zealand act 1903. And that has been the primary focus for trustees for a number of years. Recently 2019 the Trust's Act was amended, and also the Charities Act 2011. So there's a number of heavy documents out there that people need to be cognizant of and aware of, of what their responsibilities are. Very shortly, we're going to talk about what the rules look like, what the powers look like, and what the risks look like, you know, some of those slides will actually resonate on quite sure with a number of you.

Next slide, please. Okay, so what of our duties as Freemasons? What must you do or follow up in undertaking your role and in managing these assets, the powers that you have? They provide you with the authority when undertaking the duties, you must not exercise the power to facilitate a breach of your duties. And we're going to come to that very shortly about the powers of breaching a trust or your duties for your own personal benefit. What are the risks? What happens if you fail in your duties or exceed your powers and again, These are all well explained in these various documents. But again, we're going to assist you if you're unsure as to where your positions lie, will assist you in 2024. And how do I manage the risks? What do I have to do to avoid personal liability? And there happens to be an overhanging question by a lot of Trustees, what are my personal liabilities? Am I going to be taken to court am I going to lose my farm or my house or whatever the case may be. And so there are real risks. If you fail in a number of your duties coming up, and yes, there is a possibility that you will have

personal liabilities. I'm not trying to sugarcoat any of this, you've got to understand this is the law. This is all legal stuff. Next slide, please. So I've got Stephen Moe sitting there as well. And I'd like Stephen, perhaps just to widen, widen the field on what we understand of the mandatory what we must do, and what you cannot exclude or modify. And this is important to understand what you cannot exclude or modify. Stephen, you want to come to the mic, and perhaps give us a little bit more understanding of that in layman's language?

### **Legal Advisor to the Board - Stephen Moe**

Sure, thank you for the opportunity. So the Trust's Act 2019 was a major overhaul of this whole area, it came into force in early 2021. So it's relatively new, and people are still getting used to what this actually means. But essentially, what the government is wanting is that trustees are aware that they have duties, and they've split them into two types. The first on the screen now are called the mandatory duties. That is you must do this, there's no way that you cannot do this, you must know the terms of your trust, act according to the terms of the trust, act honestly, in good faith, and so on. So those are the things that cannot be modified. In other words, they're mandatory. Then there's another set of duties, which are called default duties change the slide, we've just changed the slide now. Plus, thank you. Yep. And the default duties are written in the act, and they apply to the trustees. So their default, that's what you go to the book and see what your duties are. But they can be amended in a trust deed.

So for example, in our precedent, trust deed, and we've helped set up about 50 charities, just in the last year, we have a whole schedule, which modifies the default duties under the act. So it's actually a way to protect the trustees is that you can modify the interpretation of some of these duties. So that's the fundamental difference between there's some mandatory ones you can't change and default ones, you can actually amend a little bit. And I would just urge everyone that it's actually an opportunity to go and look at your trust deed. And one encouragement I would have is, was it written on a typewriter, because I think the vast majority of these sorts of documents were probably written A while ago, and they've probably been sitting, maybe haven't been looked at frequently. So this is an opportunity to look and actually say, what is it that we want to have, and this is an excellent presentation, the one other thing I'd add is it's quite common to incorporate the Trust Board as well. So that actually can give an identity for the board separate to the people, which means that the trustees, it reduces their liability. So hopefully, most of your trust would be incorporated. But I hope that helps to explain some of those points.

### **Chair of Grand Lodge Trustees – RWBro Neville Patrick P Dep GM**

Thank you, Steve. I appreciate you gave us some time. Okay, so we've got the two types of duties the mandatory and the default duties. And again, as Steven explained, the rules are quite clear around us and Grand Master I understand, Grand Secretary these will be made available, won't they? this presentation? (yes, turned into a booklet) yes thank you. May I have the next slide please. Powers, what can you do? If you choose to fulfill your purpose, manage the trust property and comply with your duties, the general powers are quite clear, all powers necessary to manage the trust property including in relation to the trust property, all the powers of an absolute owner of a property. So those

trustees who have responsibility for properties or assets, they are the powers are an absolute owner of that property, far reaching. all powers necessary to carry out the trust, including powers incidental to those above and Act. The Act provides specific powers for trustees in relation to various administrative and other matters. And I guess they're not exhaustive. I'm not looking for other powers right now. But they will become apparent over a period of time when we're doing these presentations.

### **Chair of Grand Lodge Trustees – RWBro Neville Patrick P Dep GM**

Can I have the next slide please. So what does this mean for me if I'm a Trustee now as I've earlier predicated, some of the trustees in New Zealand don't have a great deal of assets. In fact, they may just have the regalia that their lodge hold, that's basically the asset, they may have other roles as trustees, but in terms of property, they don't hold investments, properties or shares or whatever. But there are other Lodge Trustees, of course, they do hold investments, and properties and shares and Masonic entities holding property, then you'll need to be proactively managing the assets, your risks, and compliance. Very shortly, we're going to follow on from here, which both Cameron Smith is going to be talking about the insurance situation, leading into that simply because they need trustees to understand that there are far reaching responsibilities they must comply with must be party to, and not just say it, okay, close the book. And as Stephen rightly said, some of the trust deeds may well have been written on on a typewriter, he's indicating cause dinosaur technology nicely. If you're a trustee of a charitable trust, you'll need to proactively manage the assets, your risks, and your compliance. So that's what it means.

If you are a trustee, can I have the next slide, please. And here's where the risks come in. And again, we all need to be well aware of what the risks are. Stephen, read out just a few minutes ago, about acting honestly, and, and following through on all rules of compliance. So what are the risks being in breach of trust through failing to comply with your duties, resulting in a loss of trust assets. I'm not going to explain these line by line. But you can hear very quickly, that if you as a trustee, allow something to be lost through failing or negligence, negligently managing your trusts, then there is a risk for you. That's a risk for your trust, failing to comply with legislative or regulatory regulatory requirements as a trustee or an officer, again, failing to comply, and the potential consequences, jointly or individually, having to make good losses of what the fear is on a lot of trustees out there, who are quite naive, and in respect to legislation, and where the risks actually lie in compliance. And so that becomes a real thing for a lot of people to be thinking about. And again, I'm not I'm not suggesting for one moment that all the trustees in the country, pack up their bags and leave it to somebody else. That's not what we're saying. What we are saying is we're where there is risk, where there is possibly lack of compliance, we need to put checks and balances in place to help people understand what they're meant to be doing. So that we can actually have a risk free environment that we're working in. And of course, they can be personally liable to a penalty as prescribed by appropriate legislation, again, a step we don't want to go to. But again, compliance and legislation leads us down that path if we don't comply, and we don't do our job properly. I can't sugarcoat that one. That's, it's there. Next slide, please. And here's a common question. There's a trustee aren't I indemnified from the asset held in trust? Well, no, you're not. You're not if you were, if it's demonstrated that you've been grossly negligent, and dishonest as a



trustee, or you've committed willful misconduct, for your own purposes, perhaps for your own personal gain, whatever the case may be, you're not identity indemnified.

**Chair of Grand Lodge Trustees – RWBro Neville Patrick P Dep GM**

And this is something that we probably need to talk about. Sorry, could you just go back one slide? Okay, as a trustee, that's where you aren't indemnified. Okay. Cross negligence, dishonesty, and willful misconduct. Now, can I have the next slide, please? So gross negligence, section 44 of the trust sec. 2019. No need to read that but basically, the courts must consider having regard to the factors in sub section three, where the trustees conduct, including any action or inaction, are so unreasonable that no reasonable trustee in a trustees position in the same circumstances would have considered the conduct and be in accordance with the role and duties of a trustee. So there are rules out there, and there are expectations from the courts, of what a reasonable trustee would actually do. And that becomes the the area where they look at the unreasonable actions of a trustee or a trust.

**Chair of Grand Lodge Trustees – RWBro Neville Patrick P Dep GM**

And again, that's quite extensive. But the court must have regard to a number of issues. And they, they look at, obviously, the seriousness and the nature of where the breach might be. And as a Grand Lodge trustee, we are aware of all these and we, every time we deal with property or investment matters, in the various trusts that we administer, we have to be very much aware of what these these issues are. We need to be aware of them. And so to do the trustees throughout the country. Okay, moving on, please. Next slide. So how do you manage your risks, we talked earlier on about some of those duties. And that was making sure that very good records are kept. That's the first thing I'd certainly encourage every trustee to follow up is making sure they've got very clear records. And they know, very clear passage of information so that anybody can actually see what that's about, understand your purpose, and who your beneficiaries are. So if you've got a trust, that's actually there are beneficiaries and I, I can digress slightly, say, for the, the Potter Trust that some of you may have heard about, it's a trust, or children, and granddaughter trustees must be aware of the parameters when we're administering funding, that's going to be for children in certain geographic areas, etc, etc, for health, and so on, and so on. So, you've got to understand the purpose of your trust and who the beneficiaries are of that trust. Understand the duties you must undertake in the laws and regulations you must comply with.

And remember, earlier slides, we put up all those constitution, the trustee, etc. Make sure you're aware of those develop, and document strategies and plans to deliver on your purpose and manage the assets. So it's not something this is not just a once every couple of years, pick up the paper and have a look at it. You need to be constantly on it. Put in place processes and systems and this has come back to the documentation. Put in places put in place processes and systems to manage your duties, your assets, your record keeping and compliance obligations. Have directors or trustees have officers liability insurance cover in place, something that probably a lot of trusts don't have. This may not help if you acted in the breach of trust. So you may have the insurance, indemnity insurance, liability insurance. But if you've failed up, and you've acted dishonestly, or in breach of trust, then insurance is not going to help you a great deal. Next slide, please. As I indicated right from the very start. We know there are a number of holes out there in the way trusts are managed throughout the country, and we're concerned about that. And we're not turning it back on what we are saying is a organisation that we need to help trustees and also the Grand Lodge trustees to develop and support programs for

trustees of lodges, Masonic charitable trusts, going forward, because as you'll hear very, very shortly, if trustees are negligent in the way they're dealing with their buildings and other assets, then they could be personally liable. And that's an area that I'm quite sure, trustees do not want to be entering into. I'm quite sure they want to have a fully compliant trust, and they want their fellow trustees to be fully compliant as well. So we've got to work on these programs, and this is be part of the transitional program next year, but we'll be rolling these programs out next year. For the benefit of Trustees of entities, lodges, and other trusts. Grand Lodge does hold trustees, directors, officers, liability insurance cover in place with cover to cover Grand Lodge trustees and trustees of other Masonic entities covered by the scheme. Those that are covered by the scheme, those that are not covered by the scheme. If in doubt, as to whether you're covered or not contact Grand Secretary or those in National Office. President. I know that was a pretty quick introduction to the role of Trustees. But I hope, very quickly, I have, we have highlighted to you that A, there are issues out there B, we want to help with those issues and C, where you can start fixing those issues yourself, then get on to it pronto.

And don't wait until next year to do so. If you know there are issues, then your fellow trustees onto it, and your lodge total your entity onto it. So that you become compliant. If you know there are areas of non compliance. Because believe me, and the courts will pay very little regard to I just didn't know or I was ignorant to the fact or whatever the case may be. They're not interested in it. They work on facts and figures in case law. And so therefore, we want to make sure that people are compliant, and able to manage their trusts effectively. Grand Master I believe that covers the trust, the trustees, responsibilities, and obligations. And I can't I can't stress enough that we know there are areas to help. And we'll be doing that in the very early New Year we'll start the process in the New Year. And I'll be probably calling on Grand Registrar or perhaps Stephen, to help with these with these webinars and seminars that we want to introduce to develop confidence and all the trustees in all trust around the country. Thank you, Grand Master.

#### **Grand Master – MW Bro Jim Watt**

Thank you Right Worshipful Brother. Stephen? I understand you've got a flight to catch. So look, can I thank you on behalf of all assembled here today and the people who zoomed in for your input today. It's been very valued. Thank you for the assistance that you've given to the all of governance group to date, giving them a clearer understanding of modern trends and governance and what the responsibilities are. And no doubt we'll be engaging with as we've already said with you in the new year. I know it's still November but if I don't get to talk to you before have a great Christmas and thank you for your input.

Brethren I will now call on Worshipful Brother Cameron Smith. If you care to speak, you may want to turn that mic around. So you're looking out but in the the process of doing so. And I'll do this by show of hands within the room. Brethren, I move that move a motion that the votes as being conducted today be destroyed all those in favor signify in the usual manner. Against. The motion is carried, Worshipful Brother; the floor is yours.

#### **W Bro Cameron Smith (the PowerPoint Presentation is available at end of Book of Proceedings)**

Thank you. Grand Master, could we move to the first, change the slide right and into the presentation. And again Brethren, this is my report to the special communication on the working group that was

entrusted with the work and the job of the reviewing the Grand Lodge group insurance scheme. Next slide please. Let's say I've I've tabled my full report, which with the Grand Secretary and for those of you who would like to see a full copy of the report, just ask the Grand Secretary. And he'll give you a copy it is quite comprehensive. And today, simply because of time we're going to only deal with the key issues. The purpose of the review was to review the sustainability of the current scheme instead of viable options and recommend the preferred option committee comprised myself was Wor Brother Henry Davis from the Central Division and Very Worshipful Brother Malcolm Moore, Past District Grand Master from the Southern Division and for their assistance, I'm extremely grateful. Thank you. Next slide Brethren, I'm going to use the phrase in the craft we have an unhealthy obsession with property, not my words, the words of our outgoing Chief Executive, Executive Director, but he's 100% correct. And we have a number of problems. The first problem is an aging property portfolio. It's an aging property portfolio because of when it was built. It's aging because it's now below the minimum earthquake standards in many, many places, many instances. And it's got a problem because most of its built of timber.

Thank you. Next slide. The second problem is increasing insurance costs. Just have a quick look at that slide there, you'll see that by and large, just normal increases in the last 12 months due to natural events, Cyclone Gabriel and the floods in Auckland, are in the order of 25%. And that's without considering some of the other specific specific issues that relate to Masonic assets, which we'll talk about in a minute.

Thank you Next slide. So the basic problem we've got Brethren, is one of declining revenues arising from declining membership and low rents paid by Masonic tenants in Masonic properties. You'll all be familiar with the statement by David Copperfield where annual income 20 pounds, annual expenditure 19 and six result happiness, annual income 20 pounds annual expenditure 20 pounds in six pence, result misery. And I can tell you about it around the country. We have lots of misery. Thank you. Next slide. So how can we address the problems Brethren Well, the long term solution is intrinsically linked to the underlying addressing the underlying property issues. We need to make strategic decisions around which Masonic buildings should be reinstated following a title or significant loss. We have to in order to keep the long term cost down, we have to consider a level of self funded insurance. In the short term, what do we need to do, we need to limit the cost as far as possible, and limit the governance liability, which is something that Right Worshipful Brother Neville Patrick has already alluded to in his previous presentation. Thank you. Next slide. So insurance specific issues. Everything's going up. Not a building costs, but labor costs. So that's impacting on insurance premiums. Thank you. Next slide. We've got Masonic specific issues. Grand Lodge group insurance scheme. You mentioned it in the insurance industry and the insurance duck for cover. If you look at those figures, there we've had something got something in the order of \$5.2 million of claims, two significant fire claims, one of which was directly attributable to Arson. Insurers, love taking your premium, hate paying your claims. Thank you Next slide. So we've got to the Masonic specific issues again, we've got an increased exposure to arson risk. That's brought about by having one significant substantial arson claim. But it's also brought about by a number of malicious damage claims, which were possibly the precursor to an arson claim. A number of malicious damage claims of buildings in Auckland, and other places, specifically Auckland, where those malicious damage claims were looked at by the insurer and with consideration that they may have been a precursor or a failed arson claim.

Next slide, please. We've got what's called the isolation risk. We've got a number of our properties, which are in isolated areas away from away from the infrastructure available in a in a town or a city, no town water supply, no police security presence and that that poses a significant risk to the insurer. Thank you Next slide. This one Brethren is easily fixable, poor or low quality information. Now, some of you will recall, when we started the review, we sent out quite a comprehensive survey to all lodges, not just those lodges that own Masonic entities that own masonic properties, we got, give or take 20% response rate. Now, you can't make an informed decision without proper information. And the way an insurer will look at a risk, if he if the insurer hasn't got the right information, they'll do one of one or both of two things. They'll hike the premium and hike the excess. So the more information asset owning and Masonic asset owning entities can give us when the next renewal comes around, the better equipped we are to go and get the best possible premium rate for your building or your assets.

So that's a plea, Brethren. That's a plea. We need the right information. If we don't have it, we cannot give the insurer the insurer cannot make an informed decision. And in the absence of information, they will make a premium or price decision that favors them and not us. Can I have the next slide, please. So this is what Right Worshipful Brother Neville has just been talking about liability issues. So I'm going to look at three different Masonic entities as now described will be defined in the Book of Constitution. Company owned properties, Kapiti Freemason Centre, Canterbury Freemason center, North Shore Masonic Centre, Auckland Masonic Centre Limited, and so on and so forth. Their directors are governed by the Companies Act 1993. And this is not an exhaustive discussion about the obligation directors under the Companies Act. But those are three sections that if you are a director, you might like to read at some stage, section 135 Reckless trading, 136 directors obligations and Section 137 a duty of care. So how does that relate to insurance? Well it's quite simple. If you've got a building that's worth 5 million, and you insure it for 12 million, it's probably one of those three sections of the act. Then we've got specific trust owned properties, such as the Whanganui Masonic Hall Trust, the Bay of Plenty Masonic Charitable Trust, the Highland Park Trust Board, and so on and so forth. As Right Worshipful Brother Neville has just pointed out, those trustees are bound by the Trusts Act and specific sections that the trustee should look at, in addition to the other sections of the act that Nevilles referred to Section 26 a duty to act for the beneficiaries and a general duty of care. So in a trust, if you own a building, the beneficiaries in the trust deed are probably the lodges to put the money in to build the building originally.

If you insure the building for less than replacement value, and it burns down, Have you acted responsibly. Next slide please. And then we've got individual lodges. Like United Lodge of Masterton number 19, Lodge North Harbor number 182. And so on and so forth. Lodge trustees as Neville has just said, governed by the Grand Lodge of Freemasons in New Zealand trustee act and the Trust Act 2019. If a building is insured for less than replacement value, or not insured, the Lodge must be, lodge trustees may be liable in the event of a loss. Now, how can the trustees mitigate liability? Because that's an all important question. And in the insurance context, the way in which the lodge trustees can mitigate liability is by the members of the lodge, passing a resolution authorising the trustees to ensure the lodge for x and in that record and that resolution recognize that it's not for full replacement value, but authorizing the trustees to do so. That will go some way towards mitigating trustee liability. The next thing that trustees can do is they can say this is too hard. Let's sell the building That may well be an

option. Next slide please. So, what happens if the lodge trustees elect not to insure under insure or not sell the property they must advise the Grand Lodge trustees. Why? Because the liability then shifts to the Grand Lodge trustees. I say in Freemasonry in New Zealand, all roads lead to Rome and Rome is defined as the Grand Lodge trustees. So, the Grand Lodge trustees are now faced with the decision, what should we do about this specific lodge owned building? Well, Grand Lodge may say, Well, this is strategically important to us, therefore, we will insure it for full replacement value. Because in the event of a loss, we would probably want to replace have a new lodge building, therefore, because of strategic reasons. But equally, the lodge the Grand Lodge trustees might say, No, it's not important to us. No, we can't afford to insure it for full replacement value. Therefore, we will sell as I said, brethren, in the case of a lodge distinct from a trust or a company owned Masonic asset, a lodge all roads lead to Rome and Rome our the Grand Lodge trustees.

So if you are going to make a decision at lodge level to not insure under insure not sell the building, you must advise the Grand Lodge trustees who then have to make their decision in order to mitigate the liability. Thank you. Next slide. Brethren I want to talk for one moment about the cobra effect. So the cobra effect is like this. We've got a proliferation of Cobras in the community. So how do we reduce the Cobra population? Well, we put a bounty and we pay everybody to kill a cobra. The effect is because the bounty on the killing cobras is so high. People start farming cobras. This is what's called the law of unintended consequences. So in Masonic context, how does it work? Okay, it works like this. Lodges A, B and C, have old buildings, huge liabilities with maintenance insurance rates. So they decide to sell your buildings. And we're going to build a new building over there. No decision about whether it's strategically in the right place. No decision about whether we actually need another bloody building in the Masonic property portfolio, but we're going to build it over there. And we're going to keep our rents down because we can put some commercial tenants in there. And they will help reduce the costs to the Lodge. But we need the Lodges to continue to pay at least a token amount of rent to make the thing work. Within a very short period of time Lodges A and B have handed in their charter. They've got no money to repatriate to Grand Lodge just some shares in a company. The tenant, either that commercial one of the one or all of the commercial tenants decides to not renew the lease or go bankrupt go into receivership liquidation. And so all that's happened is the liabilities that the individual lodge trustees had at the outset, have been put handed to the directors or the trustees of the new Masonic entity that owns their buildings.

That Brethren, is a story I can just repeat over and over and over again around the country. Next slide please. So let me talk briefly about the risk of under insurance. You've got a building that's got a replacement value of a million If you decide to insure it for \$750 000, and it's a total loss, you're not going to get \$750 000 You're going to get 75% of \$750,000. This is what insurers call, subject to average. So there's three examples there. \$500,000 insured for 50% \$750 000 insured for a third. So if there's a total loss, the question I've got, where are the additional funds going to come from? Are you going to go to Grand Lodge? Paul Chappel will not answer your call. And nor will Chairman of the Trustees, he just told me. So should the building be insured? should it really be insured to replace it for that value? If additional funds are not about and available for reinstatement? I want to give you a really good example Brethren. Dean, what is your Lodge now mate? But Waitomo? Okay. So Waitomo's taken a really practical approach. What they've said is, now we can't insure this for full replacement value. We don't want to insure full replacement value, I'm in the process of drafting a

resolution for the lodge to pass proving the trustees to insure for what's called demolition value. So what Waitomo wants a really practical decision, all they want enough money for to pull the building down, clear the site so they can sell the land. Now you take your insured building for a million and you only get \$562,500. So are you insured for \$750 000. The premium for replacement type insurance is more expensive than the insurance for the demolition cover only. So if you take those examples, there in a practical sense, the lodges are really only ensuring the demolition value. And once you look at the practical issues, how much money you're going to get in the event of a claim. What about the governance director, Trustee liability? Thank you Next slide. So Brethren the outcomes of the 2023/24 renewal our insurer from last year they declined to offer terms for the 23/24 year they had enough. All buildings contents and loss of rents have been individually individually rated by other insurance, and SmartPak, and LPL which is the Lloyd's of London facility. Individually rated brethren, that's really important because in 2022 what and what Chubb said is the premium for all of the Masonic buildings and contents and loss of rents was X. Mark and his team then had to find some formula to apportion it. And there were winners and losers.

Under the renewal we've gone through this year, every asset every every Masonic asset stands or falls on its own merits. So there's no cross subsidies, there's no winners and there's no losers. And all buildings and contents and rents have been reviewed based on the 2022 23 sums insured, that's the sums insured from last year. And when you get your notices, there'll be a specific reference. If you think it's inadequate, please let the insurance broker know now we've got two brokers this year. We've got our historic brokers Crombie Lockwood, now called Gallagher they're dealing with some of the risks. And we've got a firm called Neville Newcomb insurance brokers in Auckland. They're dealing with the rest of the risks. Simple terms, Crombie Lockwood, looked after the good ones didn't want us to didn't want to deal with the bad ones. Neville Newcomb insurance brokers in Auckland picked up the bad risks. And I have to say I've done an incredibly good job because every one of those bad risks got placed. Thank you Next slide. So the total renewal premium for 23/24 is \$446,000. It's an increase of 33.78% over last year, that's \$90. Just over \$90 per member, either directly or indirectly, it is a significant cost, it's a significant burden on the members of the craft. The good news is, we have significantly reduced excesses for fire claims. And in most cases natural disaster now just demonstrate that by going to the next slide. So last year, last year, the way the insurer kept the premium down, was by hiking the fire excess. So just to have a quick look there, and the Masonic, Whanganui Masonic Hall last year in the event of a fire had a \$70,000 excess. Look, I haven't seen the balance sheet of the Whanganui Masonic Hall. But I have seen the balance sheets of a number of Masonic entities around the country. And not many of them can stand a hit of \$70,000. So I'd be under the old scheme, I'd be hoping and praying that the thing burned to the ground. Because at a partial loss, it's unlikely that the entity large company trust would have the financial horsepower to meet the obligations under the insurance policy and fund the excess. And you could just quickly go to the next slide. This illustrates it again. So for example, here we have Franklin Chambers which is in Papakura, Masonic hall in Rotorua and the North Shore Masonic Centre, had \$100,000 excess in the event of a fire claim, but I'm a director of the North Shore Masonic Center. We're in pretty good nick financially. We could have paid it, but it would leave us with no reserves and can quickly go to the next slide, please. And in the South Island the Shirley Freemasons Centre in Shirley, now called the Canterbury Freemason Centre limited \$90,000. The Dunedin Masonic Hall \$52,000 excess, and they've all been reduced now to those numbers around the wrong way. But those numbers of all excesses have been reduced to \$350. Now there's a price to pay for that. So some part of that 30 plus increase recognizes the fact that we've got

substantially reduced excesses for fire. Thank you Next slide. Now, before I get into questions if there are any Brethren but perhaps time might count against us, sort of tell you a story. It's a fable. I know it's a fable, because all fables begin with the words once upon a time. Now once upon a time, in a country called Disneyland, and it was called Disneyland, not because of the proliferation of theme parks, but because the citizens of the country were prone to erratic and irrational behavior. In fact, it was an attempt to change the name to cuckoo land. But the cuckoos objected against it. While a referendum and the referendum was such that the name of Disneyland continued. Now in the great in the land of Disneyland was the Grand Lodge of free and accepted Masons of Disneyland and a comprise three lodges. The first lodge was called the lodge of the common good. Now the lodge of the common good, was struggling. Aging membership, old building, increasing insurance costs rates. So they made the decision to sell their building and hand in the charter and repatriated the money back to the Grand Lodge of Disneyland. And the grand treasurer who was new to his job, he said, he had never seen such an abundance of riches and he was struck with Speechless admiration to this Money that suddenly materialized. The second lodge was called the lodge of Avarice and Profusion. The lodge of Avarice and Profusion was a similar set of circumstances. But they didn't hand in their charter, and they kept their money. On the pretext at some stage in the future, we might build another building in our area and they use the interest of that money to help meet the costs of the lodge. And that meant that the members were all extremely exuberant because the dues were low. And the lodge of Avarice and Profusion went and bludged off their Masonic mates and moved in with them, and paid a peppercorn rental. And the Masonic mates they moved into were the Lodge of Passion and Naivety. The lodge of Passion and Naivety under building old, significant maintenance costs, rising insurance costs. But it was growing in its membership. And the burden of looking after that building, including the increasing insurance costs fell with the members of that lodge. They didn't have hundreds of thousands of dollars to invest.

So they've set their dues accordingly the core the larger Passion and Naivety because they love that building. So much so that when there was talk about taking the building, off them they threaten to change themselves to the to the stairs to stop the building from being taken from. So, brethren, like every fable is supposed to have a moral Well, you could say that Avarice and Profusion will always overcome the common good and passion and naivety. But all fables are supposed to have a good moral. So what's the good moral of the story? Brethren, there is none. Thank you very much.

**Grand Master – MW Bro Jim Watt**

Thanks W Bro Cameron Smith

### **Investitures**

VW Bro Graham Law was invested as Grand Treasurer, and W Bro Kieran Crickmar was invested as Grand Steward for the Hutt-Wairarapa District by the Grand Master, MW Bro Jim Watt.

**Grand Master – MW Bro Jim Watt**

Brethren before I close Grand Lodge, I would like to acknowledge the work and commitment are VW Bro Mike Cadman, now Past Grand Treasurer your six years as Grand Treasurer, you've put a lot of work into mate, I had the pleasure of working with you, as I was chair of the charity. You and I had

numerous discussions over funding budgeting, which is always very interesting and robust. Mike and I actually had the pleasure, I think 2013 of carrying out a review of all buildings and the funding of them. And I suppose that's going to lay the foundations for where we're going after today's two presentations. But thank you for your work. Thank you for being very supportive of all of us, and we wish you an enjoyable retirement. I'd like to thank Grant Sullivan and all his team and Vidcom for their technical assistance today and putting together a hybrid event which for them and for us, there's a first and whilst we had a couple of hiccups, I think we got through. Well, we've learned a couple of things. And as you voted today for an Annual Communication, I envisage just using this format for the Annual Communications between the triennial, so Grand Installation, there will still be a live meeting in person meeting, but the annual ones will be held in this format, we'll just trim it up a bit. I have special thanks for my Grand Secretary, Right Worshipful Brother Duane Williams. And I do ask you all next week not to bother him at all. He needs to catch up on his sleep and he's got a lot of work to do. Thank you, Duane, to you and the team at the national office for all you've done to pull this together. It is really appreciated. And finally, brethren, I've said it before, I'd just like to say it again. I'd like to thank all of you who attended today live in person and virtually for giving up some of your Saturday to actually look at the future management and future direction of the craft. Your involvement, your input, and your commitment to Freemasonry are greatly appreciated. Brethren and I look forward to seeing you all at the annual communication in 2024. With that, Brethren, please assist me to close this Grand Lodge.

Grand Lodge was closed in due and ample form.





**FREEMASONS**

New Zealand

**Making a difference in New Zealand**

Neville Patrick  
Chair of the Grand Lodge Trustees

Trustees Roles Responsibilities



**FREEMASONS**  
New Zealand

**Making a difference in New Zealand**

# Freemasons New Zealand

A trust is not a legal entity but a fiduciary relationship.

A trustee is the legal owner of assets held in a trust. They are responsible for managing those assets to promote the permitted purpose of the trust or for the beneficiaries' benefit and have **personal liability** for trust property.



**FREEMASONS**  
New Zealand

**Making a difference in New Zealand**

# Freemasons New Zealand

As a trustee you should first understand what your duties and powers are, by understanding

- the terms of the trust as set out in the Trust Deed, Constitution, Rules or Bylaws,
- your legal responsibilities, and who you are accountable to.

The relevant law on trusts which has developed through

- Case law i.e. common law developed by the courts, and
- Legislation i.e. statutes passed by parliament.



# Freemasons New Zealand

## The Rules – set out in

- Book of Constitution
- Lodge Bylaws
- Trust Deed

## The Key Legislation

- The Grand Lodge of Freemasons of New Zealand Act 1903 (which enables masonic assets to be held on behalf of its members by Grand Lodge Trustees and Lodge Trustees)
- Trusts Act 2019 (as amended)
- Charities Act 2011 (as amended e.g. Charities Amendment Act 2023)



# Freemasons New Zealand

## **Duties**

What you must do or follow when undertaking your role in managing the assets.

## **Powers**

Provides you with the authority to act when undertaking your duties. You must not exercise a power to facilitate a breach of your duties.

## **What are the Risks**

What happens if you fail in your duties or exceed your powers.

## **How do I Manage the Risks**

What do I do to avoid personal liability.



# Freemasons New Zealand

## Trustees Act 2019

**Duties – Mandatory** “What you must do” – you cannot exclude or modify.

- Know the terms of your Trust
- Act according to the terms of the trust
- Act honestly and in good faith
- Only use the power given to you by the trust for proper purposes
- Act for the benefit of the beneficiaries or to promote the permitted purpose of the trust

You also have a duty to maintain good records of the trust. This means you must keep written records of assets, documents, contracts and decisions made.



# Freemasons New Zealand

## Trustees Act 2019

**Duties – Default** “What you must do if you have not chosen to exclude or modify, as provided in your Trust Deed/Constitution/Rules”

These include:

- General duty of care, investing prudently, considering the exercise of powers and not binding or committing trustees to future exercise of discretion.
- not to exercise your power for your own benefit, avoiding conflicts of interest acting impartially, not profiting from your position and acting for no reward;
- acting unanimously.





# Freemasons New Zealand

## Trustees Act 2019

**Powers** – What you can do (if you choose) to fulfil your purpose, manage the trust property and comply with your duties.

- General powers
  - all powers necessary to manage the trust property including, in relation to the trust property, all the powers of an absolute owner of the property.
  - All powers necessary to carry out the trust, including powers incidental to those above
- Act provides specific powers for trustees in relation to various administrative and other matters. They are not exhaustive.



# Freemasons New Zealand

## So, what does this mean for me if I am a trustee?

- If you are a Lodge Trustee that **does not** hold Investments, Property or Shares in a Masonic entity holding property then make sure the assets the Lodge does have are being looked after.
- If you are a Lodge Trustee that **does** hold Investments, Property or Shares in a Masonic entity holding property then you will need to proactively manage, the assets, your risks and compliance.
- If you are a trustee of a Charitable Trust you will need to proactively manage, the assets, your risks and compliance.



# Freemasons New Zealand

## So, what are the Risks?

- Being in breach of trust through failing to comply with your duties resulting in a loss of trust assets.
- Failing to comply with legislative or regulatory requirements as a Trustee/Officer.

## and the potential consequences include ...

- Either jointly or individually having to make good any loss arising out of the breach of duty from your own personal assets.
- Personally liable to a penalty as prescribed under the appropriate legislation.



# Freemasons New Zealand

**But aren't I indemnified from the assets held in trust ....**

No, if loss is attributable to:

- Your gross negligence; or
- Your own dishonesty; or
- Your own wilful misconduct.



**FREEMASONS**  
New Zealand

**Making a difference in New Zealand**

# Freemasons New Zealand

## So what amounts to gross negligence? - Section 44 Trusts Act 2019

The court must consider, having regard to the factors in subsection (3), whether the trustee's conduct (including any action or inaction) was so unreasonable that no reasonable trustee in that trustee's position and in the same circumstances would have considered the conduct to be in accordance with the role and duties of a trustee.



# Freemasons New Zealand

## **Subsection 3- The factors to which the court must have regard are:**

- the circumstances, nature, and seriousness of the breach of trust; and
- the trustee's knowledge and intentions relating to the breach of trust; and
- the trustee's skills and knowledge that are relevant to the role of trustee; and
- the purpose for which the trustee was appointed; and
- any other circumstances, including whether the trustee has been remunerated for the role, or characteristics of the trustee that are relevant to the role of trustee; and
- the type of trust, including, without limitation, the degree to which the trust is part of a commercial arrangement, the assets held by the trust, how the assets are used, and how the trust operates; and
- the purpose of the trust, including, without limitation, what the trust is intended to achieve, and whom the trust is intended to benefit and in what ways; and
- any other factor the court considers relevant.



# Freemasons New Zealand

## How do I Manage the Risks

- Understand your purpose/who your beneficiaries are
- Understand the duties you must undertake and the laws and regulations you must comply with
- Develop and document strategies and plans to deliver on your purpose and manage the assets
- Put in place processes and systems to manage your duties, assets, record keeping and compliance obligations

**Have Trustees/Directors/Officers liability insurance cover in place.**

**But.....this may not help if you have acted in breach of trust!!!**



# Freemasons New Zealand

## So how can Freemasons NZ help you?

Freemasons NZ will be working with the Grand Lodge Trustees to develop training and support programmes for Trustees of Lodges and Masonic Charitable Trusts.

These will be rolled out next year.

Grand Lodge does hold Trustees/Directors/Officers liability insurance cover in place with QBE to cover Grand Lodge Trustees and trustees of other masonic entities covered by the scheme. If in doubt as to whether you are covered, contact National Office.





**GRAND  
LODGE  
GROUP  
INSURANCE  
SCHEME**

**REPORT TO  
SPECIAL  
COMMUNICATION  
2023**



# INSURANCE REVIEW COMMITTEE

## **Purpose:**

- Review the sustainability of the current scheme;
- Consider viable options, and;
- Recommend a preferred option.

## **Committee:**

- W Bro Cameron Smith, Northern Division, Chairman
- W Bro Henry Davies, Central Division
- VW Bro Malcolm Moore, Past Dist GM, Southern Division



# THE BASIC PROBLEMS – # 1

An aging property portfolio



# THE BASIC PROBLEMS – # 2

## Increasing insurance costs

Rate increase for policies renewing between 1 January 2023 to 31 May 2023

	Auckland	Wellington	Christchurch
Non-earthquake perils	25.4%	20.39%	24.48%
Earthquake perils	9.4%	14.93%	13.5%



# THE BASIC PROBLEMS – # 3

Declining revenues arising from declining membership and low rents paid by masonic tenants



“ Annual income twenty pounds, annual expenditure nineteen nineteen and six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery. ”

Charles Dickens (David Copperfield)

# HOW TO ADDRESS THE PROBLEMS?

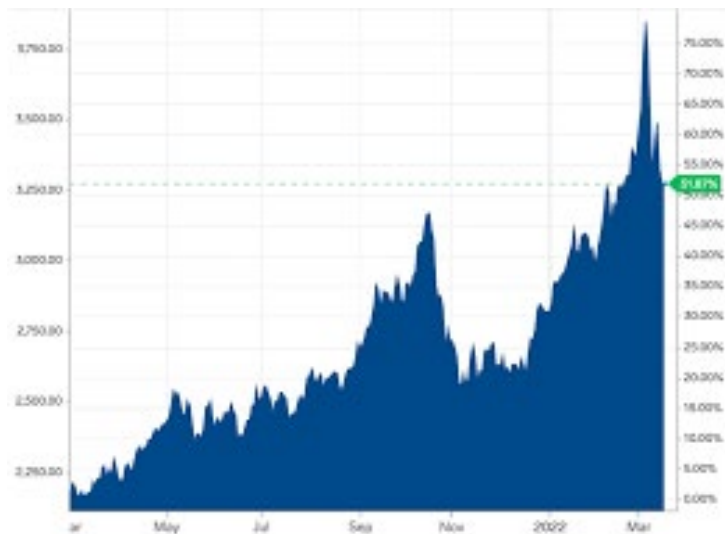
- Long term solution is intrinsically linked to addressing the underlying property issues
- Strategic decisions around which masonic buildings should be reinstated following a total or significant loss
- A level of self-funded insurance
- In the short term:
  - Limit cost, as far as is possible, and;
  - Limit governance liability



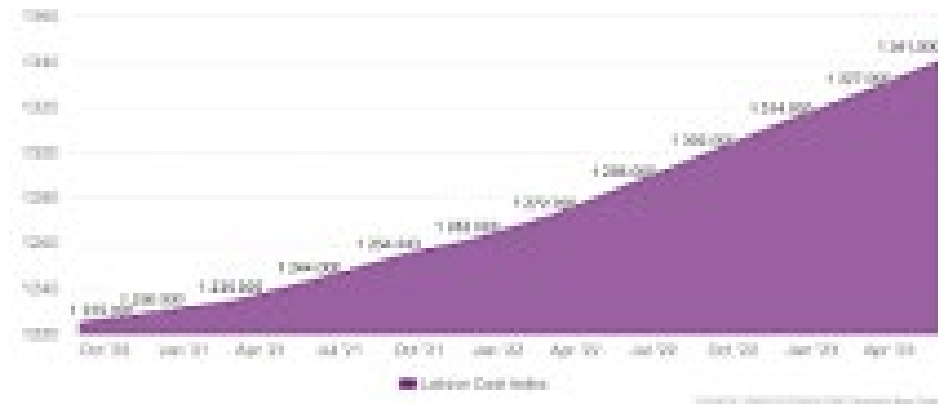
# INSURANCE SPECIFIC ISSUES

## Increasing claim costs

### Building Costs



### Labour Costs



# MASONIC SPECIFIC ISSUES

## Claims History

Summary for all Underwriting Years as at 02/08/2022	
Total Claims:	15
Total Paid Loss:	2113603.74
Total Outstanding:	322648.00
Total Incurred:	2436251.74



# MASONIC SPECIFIC ISSUES

Increased exposure to Arson risk



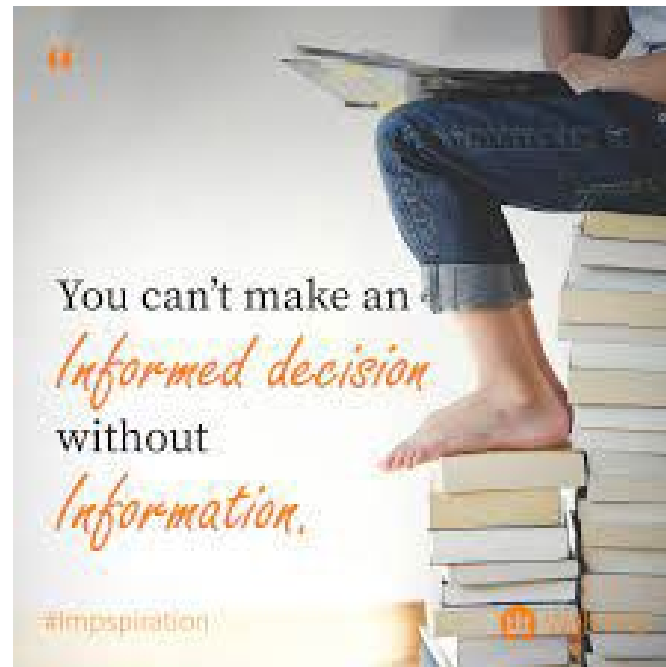
# MASONIC SPECIFIC ISSUES

## The isolation risk



# MASONIC SPECIFIC ISSUES

## Poor, or low quality information



# LIABILITY ISSUES

- **Company owned properties (eg, Kapiti Freemasons Centre Ltd)**
  - Directors are governed by the Companies Act 1993
  - Section 135 – Reckless Trading
  - Section 136 – Director Obligations
  - Section 137 – Duty of Care
- **Specific trust owned properties (eg, Wanganui Masonic Hall Trust Board)**
  - Trustees are by the Trusts Act 2019
  - Section 26 – Duty to act for the Beneficiaries
  - Section 29 – General Duty of Care



# LIABILITY ISSUES

- **Individual Lodge owned buildings (eg, United Lodge of Masterton No 19)**
  - Lodge Trustees are governed by the Grand Lodge of Freemasons of NZ Trustee Act 1903
  - If a building is insured for less than replacement value or not insured, Lodge Trustees may be liable in the event of a loss
  - Lodge Trustee liability may be mitigated if the members (the beneficiaries) elect not to insure or under-insure
  - Liability may also be mitigated if the Lodge Trustees elect to sell the property



# LIABILITY ISSUES

- **Individual Lodge owned buildings (eg, United Lodge of Masterton No 19)**
  - If Lodge Trustees elect not to insure, under-insure and not sell the property, Grand Lodge Trustees MUST be advised
  - Grand Lodge Trustees are also governed by the Grand Lodge of Freemasons of NZ Trustee Act 1903
  - If a building is insured for less than replacement value or not insured, Grand Lodge Trustees may be liable in the event of a loss
  - Liability may also be mitigated if the Grand Lodge Trustees elect to sell the property



# LIABILITY ISSUES

## THE COBRA EFFECT

A WELL-INTENTIONED MEASURE CAN OFTEN BACKFIRE AND HAVE THE OPPOSITE EFFECT TO INTENDED



**INTENTION**  
REDUCE COBRA  
POPULATION



**ACTION**  
A BOUNTY FOR  
DEAD COBRAS!



**EFFECT**  
PEOPLE START  
COBRA FARMING

sketchplanations

# LIABILITY ISSUES

## The risk of under-insurance

Replacement Value	Insured Value	Insured/Replacement	Claim
\$1,000,000	\$750,000	75.00%	\$562,500
500,000	\$250,000	50.00%	\$125,000
\$750,000	\$250,000	33.33%	\$83,325

- Insurance term called “subject to average”
- Where will the additional funds to reinstate the building come from?
- Should the building really be insured if additional funds are not available for reinstatement?
- And what about governance (director, trustee) liability?





GRAND  
LODGE  
GROUP  
INSURANCE  
SCHEME

# OUTCOMES OF THE 2023/24 RENEWAL

- CHUBB declined to offer renewal terms for the 2023/24 year
- All buildings, contents and loss of rents have now been individually rated by other insurers (Ando, Smartpak, OMPL)
- All buildings, contents and loss of rents insurance has now been renewed **BASED ON THE 2022/23 SUMS INSURED**



**GRAND  
LODGE  
GROUP  
INSURANCE  
SCHEME**

# **OUTCOMES OF THE 2023/24 RENEWAL**

- The total renewal premium for 2023/24 is \$446,065 (including GST and FSL's)
- This is a 33.78% increase on the 2022/23 premium
- Significantly reduced excesses for fire claims and, in most cases, natural disaster



# REDUCED EXCESS FOR FIRE CLAIMS

## GRAND LODGE GROUP INSURANCE SCHEME

Building	2023/24	2022/23
Kapiti Freemasons Centre	\$350	\$62,440
United Lodge of Masterton	\$350	\$34,035
United Taranaki Lodge	\$350	\$38,000
Petone Masonic Hall	\$350	\$64,870
Wanganui Masonic Hall	\$350	\$70,000
Windana Hall Limited	\$350	\$41,700
Craft Properties Limited	\$350	\$50,865



# REDUCED EXCESS FOR FIRE CLAIMS

## GRAND LODGE GROUP INSURANCE SCHEME

Building	2023/24	2022/23
Masonic 168 Holdings	\$350	\$55,600
Franklin Chambers	\$350	\$100,000
Masonic Hall (Rotorua)	\$350	\$100,000
North Shore Masonic Centre	\$350	\$100,000
Henderson Masonic Centre	\$350	\$45,000
The Waipa Lodge	\$350	\$30,435
Lodge Te Puke	\$350	\$32,000
Lodge Orewa	\$350	\$42,200



# REDUCED EXCESS FOR FIRE CLAIMS

## GRAND LODGE GROUP INSURANCE SCHEME

Building	2023/24	2022/23
Dunedin Masonic Hall	\$52,600	\$350
Shirley Freemasons Centre	\$90,760	\$350
Lodge Manuherikia Kilwinning	\$48,000	\$350
Havelock Lodge	\$30,000	\$350
Nelson Masonic Hall Co	\$13,000	\$350



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**Questions?**

